

SUBJECT: APPROVAL OF 2016-17 RECOMMENDED DISTRICT BUDGET

As required by the Texas Education Code, all school districts in Texas must adopt an operating budget no later than August 31, 2016 for the 2016-17 school year. The recommended budget denotes the projected allocation of revenues and expenditures needed to support educational programs and services defined by the *district’s mission to provide a sound educational program which meets the need of our diverse student population with an emphasis on the four principles and six beliefs.*

The vision of district leadership is articulated through financial and operating policies and is a deliberate balance of choices representing the educational needs of students and the ability of the community and the state to provide the financial support to serve them.

The recommended budget that must be adopted is required to be presented to the Board of Trustees in a format which presents revenues by fund and source – **top of page 5 of 6** and expenditures by fund and function – **bottom of page 5 of 6.**

Budget planning for 2016–17 has been a year-long process, which included a review of all campuses, departments, initiatives and district-wide accounts. Major accounts reviewed included:

Category of Expense	Amount Paid
• Salaries*	\$6,398,825
• Benefits	
Internal Revenue Service	\$ 727,141
Teacher Retirement System	\$ 749,624
TRS ActiveCare	\$ 719,015
• Other Contracted Services	
Food Services – Glazier’s Foods	\$ 352,897
Lawn Maintenance – Gary’s Landscape	\$ 81,155
• Facility Rental – Maxi Realty Corporation	\$ 322,082
• Utilities	\$ 357,400

*Major Object Codes (6119) – Teachers and Other Professionals and (6129) - Support Personnel

District-wide initiatives/programs included in the 2016-17 recommended budget to include:

- ✓ **Literacy** is an initiative designed to improve reading fluency and comprehension and to increase the number of books in classrooms and student homes.
- ✓ **Second Language Program (Spanish/English)** to provide an opportunity for students and staff to learn a second language
- ✓ **Accelerated Learning Program** is designed to provide curriculum and additional learning opportunities for the gifted and talented students.
- ✓ **Technology** initiative provides additional instructional technology for teachers and students. These technology tools will be used to transition and support computerized grading, attendance and campus back office support.
- ✓ **Professional Development** provides intensive staff training to support literacy and technology initiatives.

- ✓ **Incentives** A salary incentive program to support teacher and staff retention goals. The final description of this program will be brought to the Board of Trustees for approval at a future meeting.
- ✓ **Campus Support**, to support the goal of improved student achievement and parental involvement the following staff will continue for each campus:
 - 1 Assistant Principal (Southwest Campus)
 - 1 Parent Liaison
 - 2 Interventionists – (based on need and campus size)
 - 2 Instructional Coaches
 - 1 Additional Physical Educational Coach – (based on campus size)
 - 1 SPED/ESL Coordinator (District-wide)
 - 1 SPED Teacher
 - 1 ESL Teacher
 - 1 Data Analyst
- ✓ **Campus Renovations/Additions** to support facilities upgrade at Southwest campus.
- ✓ **Construction Loan Repayment** for ongoing construction projects to support facilities upgrade.

Projected revenues for the 2016–17 General Fund are **\$15,337,310** and represent a **23.6% increase** over the original 2015–16 budgeted revenues of **\$12,434,896**.

Appropriations included in the recommended budget for the General Fund total **\$15,008,098**, represent a **21.4% increase** over the original 2015–16 budgeted expenditures of **\$12,352,904**.

Notes:

- 1) 2016-17 State Revenue is calculated based on the estimated per student allocation in the 2015-16 school year. Current (2015-16) funding for 1,421.678 **refined** ADA is \$13,115,615. Per student calculation is \$13,115,615 **divided by** 1,421.78 = \$9,225.45 per refined ADA
- 2) 2016-17 projected enrollment is 1,750. Projected refined ADA is 1,750 **multiplied by** 95% attendance = 1,662.5
- 3) 2016-17 estimated revenue 1,662.5 refined ADA **multiplied by** \$9,225.45 = **\$15,337,310**
- 4) If 2016-17 enrollment come in below the projection of 1,750 at 1,700, then this would result in a reduction of estimated state revenue of \$438,209 (1,700 **multiplied by** 95% = 1,615 refined ADA **multiplied by** \$9,225.45 = \$14,899,096 Estimated State Revenue)
- 5) When comparing the 2015-16 budget to the 2016-17 recommended budget, exclude the \$3,000,000 in construction. Once that is excluded, there is a 19% increase in the recommended budget.
- 6) The 2016-17 recommended budget allocates for the highest options within the payroll scale options. **Teachers: Scenario 1** – Starting teachers would receive \$49,500.00, teachers with over 5 years would receive \$51,000.00 and teachers currently at \$51,000.00 or more would receive a 2% increase) and **Scenario 2** – Starting teachers would receive \$47,500.00, teachers with over 5 years would receive \$49,500.00 and teachers currently at \$49,500.00 or more would receive a 2% increase). **All other staff** would receive a flat increase of either \$1,250.00 or \$1,500.00. ***Any adjustments for the budget will be reviewed in the fall after the board has approved the scale and all new staff has been hired and payroll for the year is set.***
- 7) There are seven additional positions being considered and included in the budget for the 2016-17 year based on current enrollment projections (four teachers at NE, two teachers at SW, and one teacher at E). These positions will not be filled if enrollment projections are not met.
- 8) The 2016-17 recommended budget includes allocations for a new accelerated learning program with three teachers and one specialist. The program also includes \$10,000 in contracted services and \$30,000 in materials.
- 9) The 2016-17 recommended budget includes allocations for a new second language program (Spanish/English). The program includes material, monitoring, tracking and professional development totaling an estimated cost of \$40,000.00

The budget information for the 2016-17 Recommended District Budget as well as 2015-16 actual budget is attached.

The administration recommends that the Board adopt and approved the 2016-17 Recommended District Budget and authorized the administration to update the 2016-17 Master Salary Schedule.

Preliminary entitlements received from the Texas Education Agency (TEA) include the following grants:

Grants	2015-16		C 2016-17 Allotment	Difference A minus C
	A Allotment	B Roll Forward		
Title I Part A – Improving Basic Programs	\$ 812,873	\$116,808	\$772,229	\$ 40,644
IDEA B	\$ 227,772	\$ 68,356	\$235,464	\$ 7,692
IDEA B Preschool	\$ 4,591	\$ 1,186	\$ 5,405	\$ 814
Title II Part A –Teacher and Principal Training & Recruiting	\$ 106,702	\$ 38,898	\$ 92,903	\$ 13,799
Title III Part A – LEP	\$ 65,332	\$ 16,221	\$ 73,810	\$ 8,478
State Textbook Allotment	\$ 159,079	\$ 0	\$159,079	\$ 0
Grant Totals	\$1,217,270	\$241,469	\$1,179,811	\$ 37,459

The 2016–2017 Recommended District Budget also includes the following recommended appropriations:

Funding Source	2015-2016	2016-2017	Difference
National School Lunch Program-Federal Funding	\$865,665	\$998,330	\$132,665
National School Lunch Program-Local Funding	\$ 25,000	\$ 57,405	\$ 32,405
NSLP Total	\$890,665	\$940,925	\$165,070

2015-16 Budgeted and Year to Date Revenues Analysis and 2016-17 Recommended Budgeted Revenues

Fund	Major Object	FY16 Current Revenue Budget	FY16 Anticipated Revenue 8-31-16	FY17 Estimated Revenue
240-NSLP	5700-Local Revenue	\$ 40,000.00	\$ 50,801.00	\$ 57,405.13
	5800-State Revenue	\$ -	\$ 5,962.00	\$ 6,558.20
	5900-Federal Revenue	\$ 986,385.13	\$ 897,000.00	\$ 998,330.00
	7900-Operating Transfer	\$ 200,000.00	\$ 250,000.00	\$ 300,000.00
240-NSLP Total		\$ 1,226,385.13	\$ 1,203,763.00	\$ 1,362,293.33
420-FSP	5700-Local Revenue	\$ 35,000.00	\$ 44,593.00	\$ 36,000.00
	5800-State Revenue	\$ 13,551,230.00	\$ 13,115,615.00	\$ 15,337,310.00
	5900-Federal Revenue	\$ 23,881.00	\$ 23,881.00	
420-FSP Total		\$ 13,610,111.00	\$ 13,184,089.00	\$ 15,373,310.00
Grand Total		\$ 14,836,496.13	\$ 14,387,852.00	\$ 16,735,603.33

2015-16 Budgeted and Year To Date Expenditures Analysis and 2016-17 Recommended Budgeted Expenditures

Fund	Function	FY16 Current Expense Budget	FY16 Anticipated Expenses 8-31-16	FY17 Proposed Expense Budget
240-NSLP	35-Food Srvcs	\$ 1,226,385.13	\$ 1,203,763.05	\$ 1,362,293.11
240-NSLP Total		\$ 1,226,385.13	\$ 1,203,763.05	\$ 1,362,293.11
420-FSP	11-Instructional Services	\$ 5,833,709.01	\$ 5,767,092.00	\$ 6,790,959.92
	12-Library & Media	\$ 177,614.70	\$ 144,760.60	\$ 158,352.57
	13-Curriculum	\$ 182,965.37	\$ 239,840.93	\$ 371,941.04
	21-Program Admin	\$ 456.38	\$ -	\$ -
	23-Campus Admin	\$ 968,565.13	\$ 944,374.74	\$ 1,241,656.89
	31-Counseling & Assmnt	\$ 33,950.00	\$ 33,338.52	\$ 33,338.52
	33-Health Srvcs	\$ 155,025.36	\$ 146,376.83	\$ 156,821.31
	34-Transportation	\$ 784,320.15	\$ 651,353.38	\$ 754,929.45
	35-Food Srvcs	\$ 200,500.00	\$ 250,158.59	\$ 300,158.59
	41-District Admin	\$ 1,031,897.12	\$ 994,893.31	\$ 1,255,745.75
	51-Maintenance	\$ 2,160,667.52	\$ 2,166,594.66	\$ 2,527,666.18
	52-Security Srvcs	\$ 222,369.15	\$ 229,569.59	\$ 331,428.45
	53-Technology	\$ 540,779.78	\$ 484,655.22	\$ 650,294.98
	61-Community Srvcs	\$ 108,041.33	\$ 111,849.77	\$ 122,804.43
	71-Debt Srvcs			\$ 162,000.00
	99-Asset	\$ 1,209,750.00	\$ 3,000,000.00	\$ 150,000.00
420-FSP Total		\$ 13,610,611.00	\$ 15,164,858.14	\$ 15,008,098.06

2015-16 Budgeted and Year To Date Expenditures by Major Object and 2016–17 Recommended Budgeted Expenditures by Major Object

Fund	Function	Major Object	FY16 Current Expense Budget	FY16 Anticipated Expense 8-31-16	FY17 Proposed Expense Budget
240-NSLP	35-Food Svcs	6100-Payroll Svcs	\$ 553,520.33	\$ 554,597.51	\$ 618,965.31
		6200-Contracted Svcs	\$ 7,000.00	\$ 130.00	\$ 130.00
		6300-Supplies	\$ 662,364.80	\$ 648,244.88	\$ 742,407.14
		6400-Misc Operate Expense	\$ 3,500.00	\$ 790.66	\$ 790.66
		35-Food Svcs Total	\$ 1,226,385.13	\$ 1,203,763.05	\$ 1,362,293.11
240-NSLP Total		\$ 1,226,385.13	\$ 1,203,763.05	\$ 1,362,293.11	
420-FSP	11-Instructional Services	6100-Payroll Svcs	\$ 5,439,748.54	\$ 5,295,575.75	\$ 6,267,183.33
		6200-Contracted Svcs	\$ 202,167.60	\$ 217,164.72	\$ 208,933.44
		6300-Supplies	\$ 156,607.87	\$ 238,168.01	\$ 273,157.47
		6400-Misc Operate Expense	\$ 35,185.00	\$ 16,183.52	\$ 41,685.68
		11-Instructional Services Total	\$ 5,833,709.01	\$ 5,767,092.00	\$ 6,790,959.92
	12-Library & Media	6100-Payroll Svcs	\$ 138,614.70	\$ 135,919.68	\$ 149,511.65
		6300-Supplies	\$ 39,000.00	\$ 8,840.92	\$ 8,840.92
		12-Library & Media Total	\$ 177,614.70	\$ 144,760.60	\$ 158,352.57
	13-Curriculum	6100-Payroll Svcs	\$ 143,840.37	\$ 110,751.05	\$ 212,851.16
		6200-Contracted Svcs	\$ 35,750.00	\$ 96,343.00	\$ 96,343.00
		6300-Supplies	\$ 2,500.00	\$ 5,383.06	\$ 5,383.06
		6400-Misc Operate Expense	\$ 875.00	\$ 27,363.82	\$ 57,363.82
		13-Curriculum Total	\$ 182,965.37	\$ 239,840.93	\$ 371,941.04
	21-Program Admin	6400-Misc Operate Expense	\$ 456.38	\$ -	\$ -
	21-Program Admin Total		\$ 456.38	\$ -	\$ -
	23-Campus Admin	6100-Payroll Svcs	\$ 762,702.78	\$ 730,646.75	\$ 1,018,776.35
		6200-Contracted Svcs	\$ 181,059.04	\$ 198,467.10	\$ 207,619.65
		6300-Supplies	\$ 13,500.00	\$ 10,617.21	\$ 10,617.21
		6400-Misc Operate Expense	\$ 11,303.31	\$ 4,643.68	\$ 4,643.68
		23-Campus Admin Total	\$ 968,565.13	\$ 944,374.74	\$ 1,241,656.89
	31-Counseling & Assmnt	6200-Contracted Svcs	\$ 31,000.00	\$ 33,021.30	\$ 33,021.30
		6300-Supplies	\$ 2,950.00	\$ 317.22	\$ 317.22
		31-Counseling & Assmnt Total	\$ 33,950.00	\$ 33,338.52	\$ 33,338.52
	33-Health Svcs	6100-Payroll Svcs	\$ 131,025.36	\$ 129,696.89	\$ 140,141.37
		6200-Contracted Svcs	\$ 18,500.00	\$ 14,196.30	\$ 14,196.30
		6300-Supplies	\$ 5,500.00	\$ 2,483.64	\$ 2,483.64
	33-Health Svcs Total	\$ 155,025.36	\$ 146,376.83	\$ 156,821.31	
	34-Transportation	6100-Payroll Svcs	\$ 420,620.19	\$ 418,349.92	\$ 521,925.99
		6200-Contracted Svcs	\$ 217,809.46	\$ 149,511.73	\$ 149,511.73
		6300-Supplies	\$ 145,390.50	\$ 83,367.48	\$ 83,367.48
		6400-Misc Operate Expense	\$ 500.00	\$ 124.25	\$ 124.25
		34-Transportation Total	\$ 784,320.15	\$ 651,353.38	\$ 754,929.45
	35-Food Svcs	6400-Misc Operate Expense	\$ 500.00	\$ 158.59	\$ 158.59
	8900-Operating Transfer	\$ 200,000.00	\$ 250,000.00	\$ 300,000.00	
35-Food Svcs Total		\$ 200,500.00	\$ 250,158.59	\$ 300,158.59	
41-District Admin	6100-Payroll Svcs	\$ 221,164.23	\$ 199,025.21	\$ 543,306.97	
	6200-Contracted Svcs	\$ 747,400.30	\$ 698,783.45	\$ 603,918.83	
	6300-Supplies	\$ 9,285.44	\$ 22,095.57	\$ 22,095.57	
	6400-Misc Operate Expense	\$ 54,047.15	\$ 74,989.08	\$ 86,424.38	
	41-District Admin Total	\$ 1,031,897.12	\$ 994,893.31	\$ 1,255,745.75	
51-Maintenance	6100-Payroll Svcs	\$ 425,362.89	\$ 387,433.53	\$ 513,931.38	
	6200-Contracted Svcs	\$ 1,389,554.63	\$ 1,474,353.08	\$ 1,623,234.80	
	6300-Supplies	\$ 127,000.00	\$ 81,517.94	\$ 132,000.00	
	6400-Misc Operate Expense	\$ 218,750.00	\$ 223,290.11	\$ 258,500.00	
	51-Maintenance Total	\$ 2,160,667.52	\$ 2,166,594.66	\$ 2,527,666.18	
52-Security Svcs	6100-Payroll Svcs	\$ 37,736.72	\$ 37,547.30	\$ 42,428.45	
	6200-Contracted Svcs	\$ 183,032.43	\$ 191,522.29	\$ 287,000.00	
	6300-Supplies	\$ 700.00	\$ 500.00	\$ 2,000.00	
	6400-Misc Operate Expense	\$ 900.00	\$ -	\$ -	
52-Security Svcs Total	\$ 222,369.15	\$ 229,569.59	\$ 331,428.45		
53-Technology	6100-Payroll Svcs	\$ 225,714.41	\$ 224,781.67	\$ 301,207.44	
	6200-Contracted Svcs	\$ 30,534.75	\$ 57,171.75	\$ 60,018.49	
	6300-Supplies	\$ 284,530.62	\$ 202,569.05	\$ 287,569.05	
	6400-Misc Operate Expense	\$ -	\$ 132.75	\$ 1,500.00	
53-Technology Total	\$ 540,779.78	\$ 484,655.22	\$ 650,294.98		
61-Community Svcs	6100-Payroll Svcs	\$ 101,181.25	\$ 100,713.41	\$ 107,763.35	
	6300-Supplies	\$ 5,860.08	\$ 11,095.28	\$ 15,000.00	
	6400-Misc Operate Expense	\$ 1,000.00	\$ 41.08	\$ 41.08	
61-Community Svcs Total	\$ 108,041.33	\$ 111,849.77	\$ 122,804.43		
71-Debt Svcs	6500-Debt Svcs			\$ 162,000.00	
71-Debt Svcs Total				\$ 162,000.00	
99-Asset	6600-Assets	\$ 1,209,750.00	\$ 3,000,000.00	\$ 150,000.00	
99-Asset Total		\$ 1,209,750.00	\$ 3,000,000.00	\$ 150,000.00	
420-FSP Total		\$ 13,610,611.00	\$ 15,164,858.14	\$ 15,008,098.06	
Grand Total		\$ 14,836,996.13	\$ 16,368,621.19	\$ 16,370,391.16	