



Houston Independent School District



Every Student Every Day

**2005-2006  
Budget Update  
for the  
Houston Chronicle  
June 29, 2005**





# Houston Independent School District

## Agenda

- **Financial Projections – 2004-2005**
- **Revenue Assumptions – 2005-2006**
- **Financial Projections – 2005-2006**
- **Appropriations – 2005-2006**
- **Salary Recommendation – 2005-2006**
- **Question and Answer**



# Houston Independent School District

## Financial Projections

Description	2003-2004 Actual	2004-2005 Projection
Undesignated Beginning Fund Balance	\$ 102,924,145	\$ 98,374,084
<b>Revenues</b>		
State	\$ 237,457,643	\$ 218,955,753
Local	\$ 1,034,301,084	\$ 1,028,545,555
Federal / Other	\$ 33,612,872	\$ 28,887,258
<b>Total Revenues</b>	<b>\$ 1,305,371,599</b>	<b>\$ 1,276,388,566</b>
<b>Expenditure and Reserve Adjustments</b>	<b>\$ (1,309,921,660)</b>	<b>\$ (1,269,536,069)</b>
<b>Unspent Funds</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Ending Fund Balance</b>	<b>\$ 98,374,084</b>	<b>\$ 105,226,581</b>



# Houston Independent School District

## General Operating Fund Balances

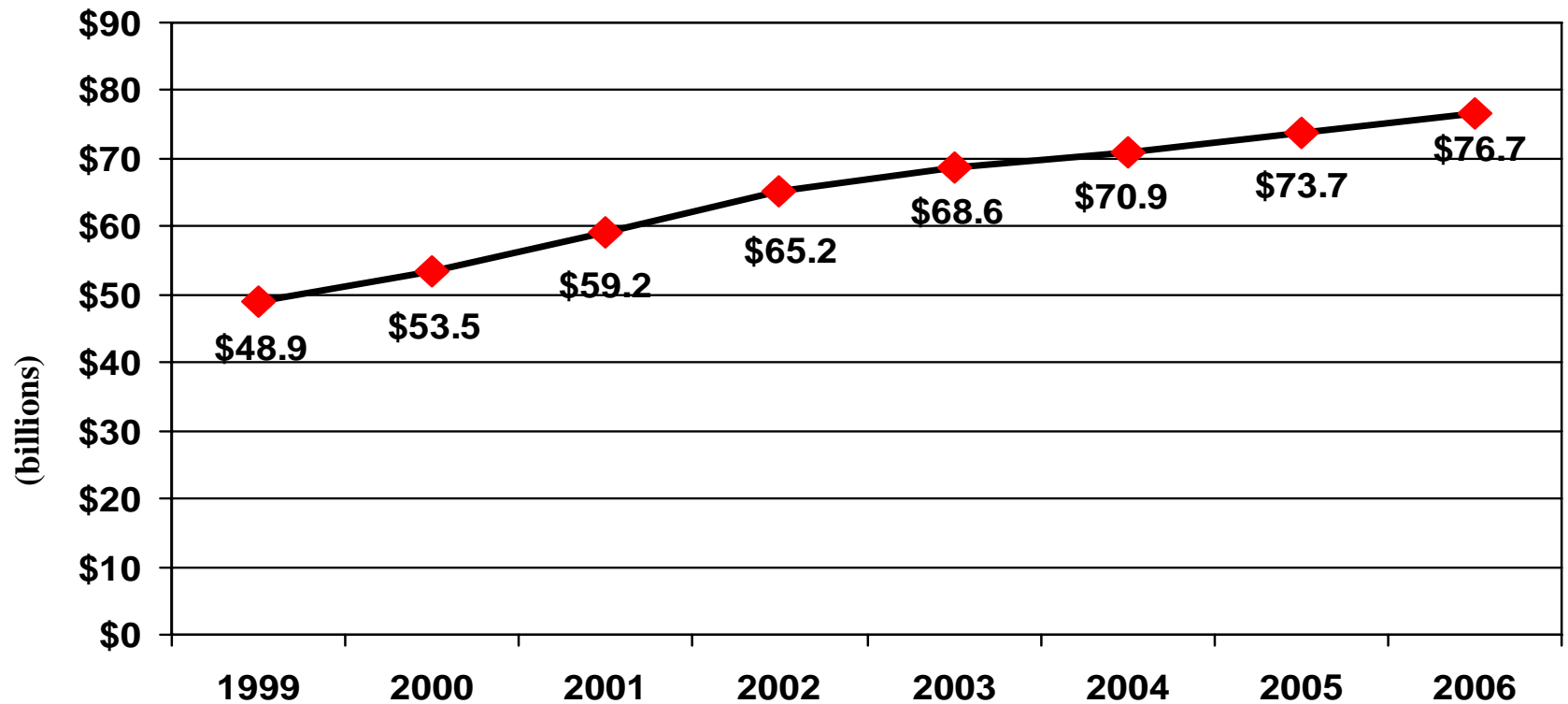
TYPE OF EQUITY	FUND BALANCE 6/30/2003	FUND BALANCE 6/30/2004	PROJECTED FUND BALANCE 6/30/2005
Undesignated	\$ 102,951,792	\$ 98,374,084	\$ 105,226,581
Designated for Operations	\$ 65,000,000	\$ 65,000,000	\$ 65,000,000
Permanent Fund	\$ 11,484,317	\$ 10,197,327	\$ 7,678,731
Insurance Fund	\$ 8,902,200	\$ 8,339,649	\$ 8,339,649
Encumbrances	\$ 22,504,971	\$ 16,418,866	\$ 21,321,680
School Carryover	\$ -	\$ 5,000,000	\$ 5,000,000
Other Reserves	\$ 4,253,575	\$ 3,971,392	\$ 12,753,359
<b>TOTAL</b>	<b>\$ 215,096,855</b>	<b>\$ 207,301,318</b>	<b>\$ 225,320,000</b>



# Houston Independent School District

## Local Tax Roll

### Total Assessed Value 1999-2006



Note: Represents total assessed value as of each fiscal year-end.

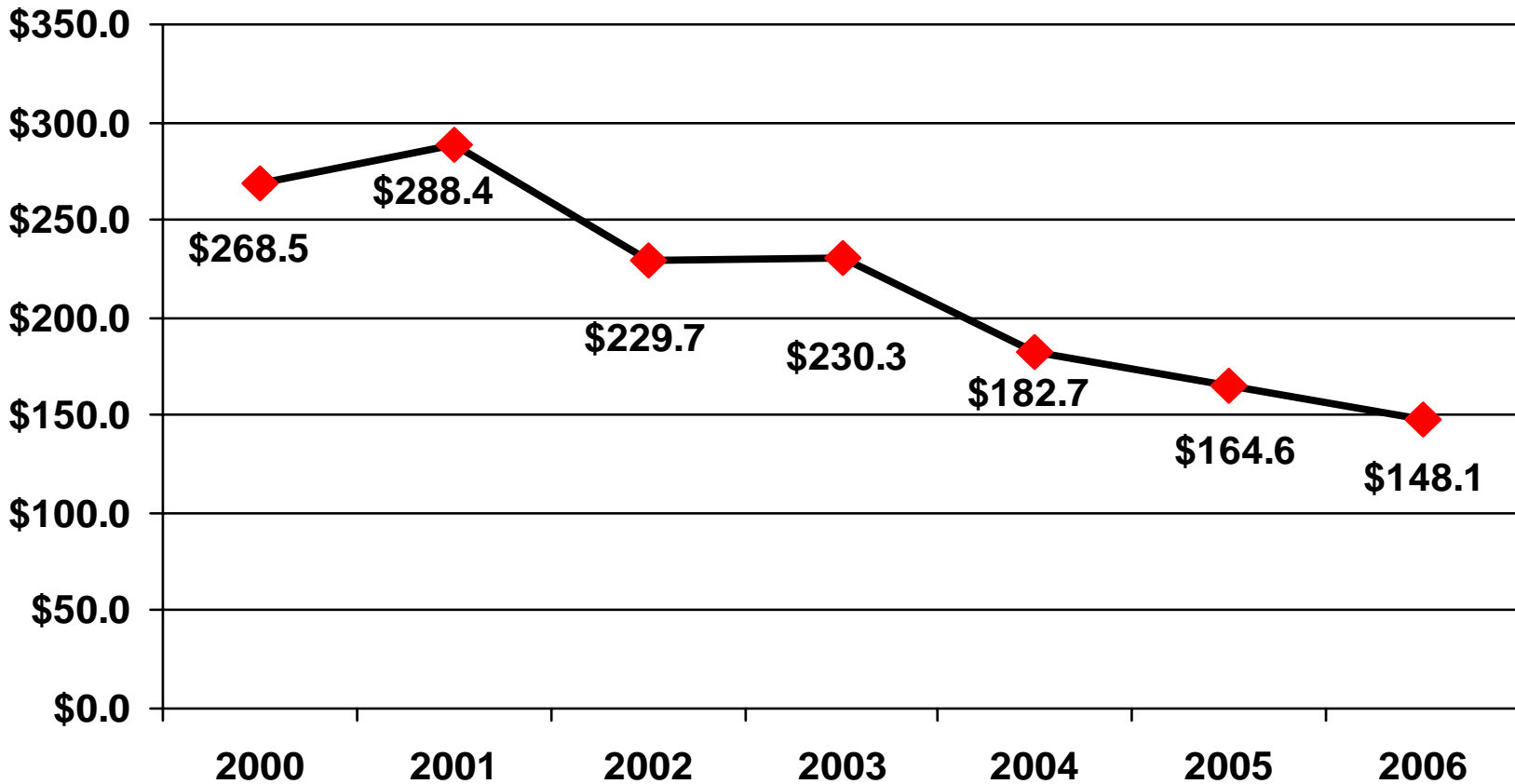


# Houston Independent School District

## State Revenues

(Foundation School Program)

### State Revenues 2000-2006



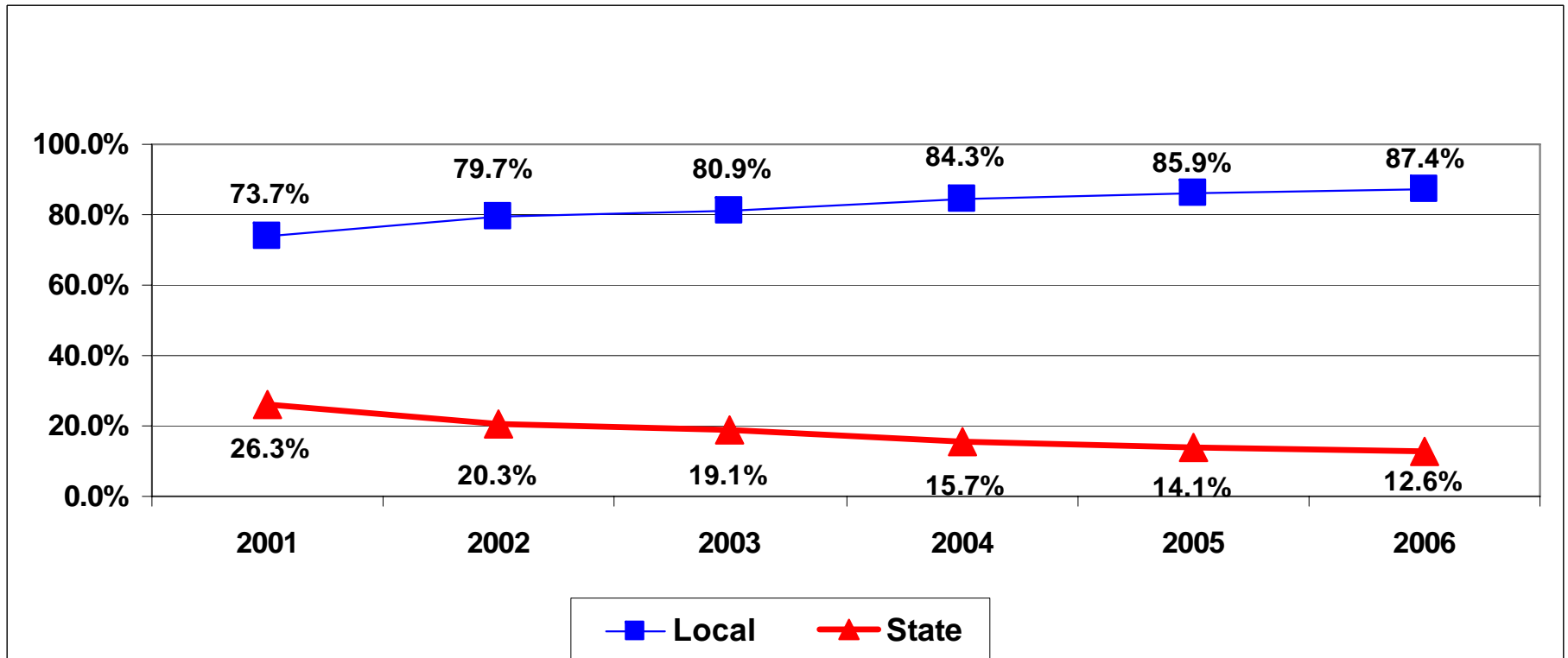
Note: 2000-2004 Are Actual Revenues; 2005-2006 are Projected Revenues



# Houston Independent School District

## Local Taxes vs. State Funding

(Per Capita & Foundation School Program)





# Houston Independent School District

## Projected Revenues

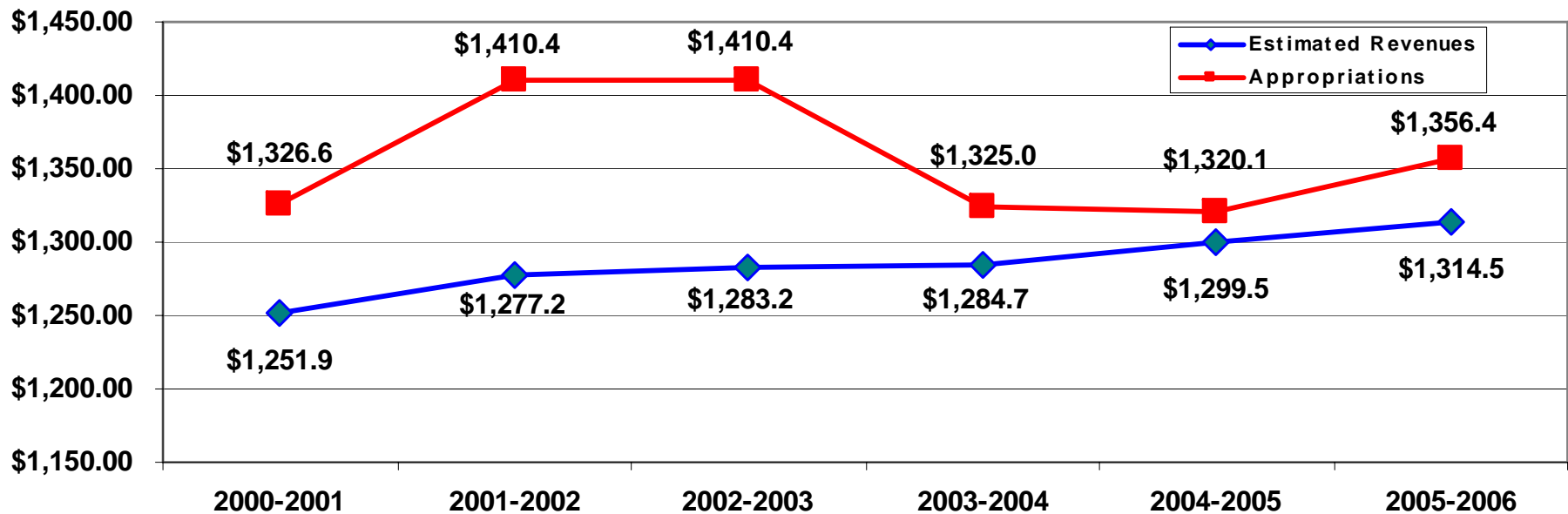
		ACTUAL 2003-2004	PROJECTED REVENUES 2004-2005	PROJECTED REVENUES 2005-2006
00-5611	SALE OF BONDS	\$ 20,598,660	\$ 12,378,158	\$ 12,000,000
00-5612	TRANSFERS FROM OTHER FUNDS	\$ 7,675,000	\$ 11,330,000	\$ 12,970,000
00-5614	PROCEEDS-LEASES	\$ 45,844	\$ 300,000	\$ 300,000
00-5711	TAXES, CURRENT YEAR	\$ 959,297,067	\$ 974,453,666	\$ 1,022,025,798
00-5712	TAXES, DELINQUENT PRIOR YEARS	\$ 18,861,444	\$ 21,506,378	\$ 18,000,000
00-5719	TAXES, PENALTY AND INTEREST	\$ 16,546,836	\$ 17,528,951	\$ 13,300,000
00-5720	REVENUE IN LIEU OF TAXES	\$ 931,274	\$ 750,000	\$ 750,000
00-5733	TUITION, SUMMER	\$ 213,677	\$ 225,000	\$ 225,000
00-5736	E-RATE REVENUE	\$ 854,485	\$ -	\$ -
00-5737	TAX ABATEMENT REVENUE	\$ 1,017,235	\$ -	\$ -
00-5738	INSURANCE RECOVERY	\$ 5,890	\$ -	\$ -
00-5739	TUITION, REGULAR DAY	\$ 132,130	\$ 125,000	\$ 125,000
00-5742	INTEREST EARNINGS	\$ 2,919,357	\$ 4,369,741	\$ 6,000,000
00-5746	RENTAL OF FACILITIES	\$ 274,183	\$ 150,000	\$ 150,000
00-5747	GIFTS AND BEQUESTS	\$ 24,775,712	\$ -	\$ -
00-5749	MISCELLANEOUS REVENUES	\$ 6,306,850	\$ 5,299,159	\$ 6,263,340
00-575X	ATHLETICS	\$ 528,960	\$ 890,000	\$ 890,000
00-5769	REVENUE OTHER GOVERNMENTS	\$ 1,596,597	\$ 3,247,660	\$ 3,247,660
00-5811	PER CAPITA STATE REVENUES	\$ 64,291,710	\$ 61,930,400	\$ 59,503,500
00-5812	FOUNDATION SCHOOL PROGRAM	\$ 118,467,066	\$ 102,126,353	\$ 87,982,559
00-5829	OTHER STATE REVENUES	\$ 629,253	\$ 629,000	\$ 629,000
00-5831	TRS ON BEHALF OF	\$ 54,069,407	\$ 54,270,000	\$ 65,270,000
00-5839	STATE REVENUE-OTHER PROGRAMS	\$ 207	\$ -	\$ -
00-59XX	FED REVENUE DISTRIBUTED BY TEA/OTHERS	\$ 3,482,455	\$ 3,113,400	\$ 3,113,400
00-5941	IMPACT AID	\$ -	\$ 1,700	\$ 1,700
00-5943	ARMY SALARY REVENUE	\$ 1,622,235	\$ 1,600,000	\$ 1,600,000
00-5944	AIR FORCE REVENUE	\$ 56,540	\$ 42,000	\$ 42,000
00-5945	NAVY SALARY REVENUE	\$ 132,138	\$ 122,000	\$ 122,000
	<b>GRAND TOTAL</b>	<b>\$ 1,305,332,212</b>	<b>\$ 1,276,388,566</b>	<b>\$ 1,314,510,957</b>



# Houston Independent School District

## Adopted Budget History

Adopted Budget History  
(In Millions)





# Houston Independent School District

## Financial Projections

Description	2004-2005 Projected	2005-2006 Draft Budget
Undesignated Beginning Fund Balance	\$ 98,374,084	\$ 105,226,581
<b>Revenues</b>		
State	\$ 218,955,753	\$ 213,385,059
Local	\$ 1,028,545,555	\$ 1,070,976,798
Federal / Other	\$ 28,887,258	\$ 30,149,100
<b>Total Revenues</b>	<b>\$ 1,276,388,566</b>	<b>\$ 1,314,510,957</b>
<b>Expenditure and Reserve Adjustments</b>	<b>\$ (1,269,536,069)</b>	<b>\$ (1,358,413,600)</b>
<b>Unspent Funds</b>	<b>\$ -</b>	<b>\$ 40,752,408</b>
<b>Ending Fund Balance</b>	<b>\$ 105,226,581</b>	<b>\$ 102,076,346</b>



# Houston Independent School District

## Appropriation Increases

	2002-2003	2003-2004	2004-2005	2005-2006	Total Increases
Salary Increase	\$ 19,730,000	\$ 19,240,042	\$ 12,953,593	\$ 26,300,000	\$ 78,223,635
Incentive Program	-	-	-	14,700,000	\$ 14,700,000
Other Operating Expenses	8,229,833	-	2,879,875	3,069,336	\$ 14,179,044
Property Insurance	2,500,000	-	-	-	\$ 2,500,000
Utilities	1,000,000	2,500,000	2,729,464	3,000,000	\$ 9,229,464
TIRZ Payments	5,000,000	-	7,840,000	2,698,000	\$ 15,538,000
Health Insurance	-	-	4,000,000	2,000,000	\$ 6,000,000
Payroll Tax	-	5,000,000	-	2,000,000	\$ 7,000,000
Serving All Eligible PK	-	-	-	1,937,600	\$ 1,937,600
Non-Title I Schools Program	-	-	-	1,500,282	\$ 1,500,282
TRS Above State Minimum	-	-	-	1,200,000	\$ 1,200,000
Hu-Linc	-	-	-	750,000	\$ 750,000
Debt Service	-	5,153,000	-	-	\$ 5,153,000
Payroll Fallout Adjustment	-	-	8,817,255	-	\$ 8,817,255
Charter Schools	2,000,000	-	-	-	\$ 2,000,000
Project Grad/CIS	1,500,000	-	-	-	\$ 1,500,000
Gasoline for Vehicles/Buses	-	-	-	900,000	\$ 900,000
End of Course Exams	-	-	-	202,100	\$ 202,100
<b>Total Increases</b>	<b>\$ 39,959,833</b>	<b>\$ 31,893,042</b>	<b>\$ 39,220,187</b>	<b>\$ 60,257,318</b>	<b>\$ 171,330,380</b>



# Houston Independent School District

## General Fund Appropriation and Reduction History

Fiscal Year	Beginning Budget	Increases	Decreases	Final Budget
2002-2003	\$ 1,410.4	\$ 39.0	\$ (39.0)	\$ 1,410.4
2003-2004	\$ 1,410.4	\$ 31.9	\$ (117.3)	\$ 1,325.0
2004-2005	\$ 1,325.0	\$ 39.2	\$ (44.2)	\$ 1,320.0
2005-2006	\$ 1,320.0	\$ 60.3	\$ (21.9)	\$ 1,358.4
Totals		\$ 170.4	\$ (222.4)	



# Houston Independent School District

## Appropriation Decreases

	2002-2003	2003-2004	2004-2005	2005-2006	Total Decreases
Departmental Reductions	\$ (12,313,911)	\$ (27,648,813)	\$ (17,328,897)	\$ (6,444,126)	\$ (63,735,747)
Other Districtwide & Non-School Reductions	\$ (10,944,396)	\$ (25,701,604)	\$ (1,296,500)	\$ -	\$ (37,942,500)
Districtwide Stipends & Sign Bonus	\$ (6,978,275)	\$ (2,500,000)	\$ (8,500,000)	\$ -	\$ (17,978,275)
Utility Savings	\$ (5,000,000)	\$ (2,800,000)	\$ -	\$ -	\$ (7,800,000)
District Office Reductions	\$ (2,800,000)	\$ (3,400,000)	\$ -	\$ (4,000,000)	\$ (10,200,000)
Voluntary Retirement Program	\$ (1,923,251)	\$ -	\$ -	\$ -	\$ (1,923,251)
Salary Budgets	\$ -	\$ (48,791,159)	\$ -	\$ -	\$ (48,791,159)
Magnet Allocations	\$ -	\$ (3,438,706)	\$ -	\$ -	\$ (3,438,706)
Project Grad	\$ -	\$ -	\$ -	\$ (1,000,000)	\$ (1,000,000)
Property Insurance	\$ -	\$ (3,042,459)	\$ -	\$ (400,000)	\$ (3,442,459)
Workers Compensation	\$ -	\$ -	\$ (2,500,000)	\$ (2,000,000)	\$ (4,500,000)
Small School Subsidy	\$ -	\$ -	\$ (7,200,000)	\$ -	\$ (7,200,000)
Other Operating Expenses	\$ -	\$ -	\$ (7,340,489)	\$ (2,053,893)	\$ (9,394,382)
<b>Total Decreases</b>	<b>\$ (39,959,833)</b>	<b>\$ (117,322,741)</b>	<b>\$ (44,165,886)</b>	<b>\$ (15,898,019)</b>	<b>\$ (217,346,479)</b>



# Houston Independent School District

## Additional 2005-2006 Decreases

	<u>2005-2006</u>
CONSULTING SERVICES	\$ (250,000)
GENERAL SUPPLIES	\$ (155,000)
STAFF DEVELOPMENT FUNDS	\$ (200,000)
RENTAL COSTS FOR NORTHEAST DISTRICT OFFICE	\$ (212,794)
SALARY FOR GENERAL MANAGER OF OPERATIONS	\$ (93,750)
HU-LINC	\$ (500,000)
STRATEGIC MANAGEMENT DEPARTMENT	\$ (304,265)
ACP INTAKE CENTER	\$ (121,060)
NON-TITLE ONE SCHOOLS	\$ (500,000)
PROJECT RECONNECT	\$ (300,000)
COMMUNITIES IN SCHOOLS	\$ (650,000)
APPEALS FUNDING	\$ (1,000,000)
OUTDOOR EDUCATION/CAMP PROGRAMS	\$ (900,000)
VIRTUAL SCHOOLS	\$ (300,000)
CENTRAL OFFICE STAFFING	\$ (513,131)
FUND BALANCE	\$ (2,000,000)
TOTAL ADDITIONAL CUTS	<u>\$ (8,000,000)</u>



# Houston Independent School District

## General Fund Budgets by Schools and Direct Report

AREA	BUDGETED AMOUNT	BUDGET BY PERCENTAGE
SCHOOLS - RESOURCE FUNDS	\$ 743,337,560	54.72%
SCHOOLS - MAGNET FUNDS	\$ 15,141,356	1.11%
SCHOOLS - NON-RESOURCE FUNDS	\$ 63,174,414	4.65%
SCHOOL BENEFITS	\$ 143,020,106	10.53%
STIPENDS AND LONG-TERM SUBSTITUTES	\$ 32,764,485	2.41%
APPEAL PROCESS FUNDS	\$ 3,338,799	0.25%
OUTDOOR EDUCATION	\$ 1,806,322	0.13%
MULTILINGUAL/SUMMER SCHOOL PROGRAMS	\$ 1,798,113	0.13%
TARGETED SCHOOLS ASSISTANCE	\$ 1,892,698	0.14%
<b>TOTAL SCHOOLS</b>	<b>\$ 1,006,273,853</b>	<b>74.08%</b>
TRANSPORTATION	\$ 29,530,035	2.17%
FMO	\$ 40,530,596	2.98%
POLICE	\$ 8,955,695	0.66%
DEPARTMENTS AND REGIONS	\$ 273,123,421	20.11%
<b>TOTAL DEPARTMENTS AND REGIONS</b>	<b>\$ 352,139,747</b>	<b>25.92%</b>
<b>TOTAL BUDGET</b>	<b>\$ 1,358,413,600</b>	<b>100.00%</b>



# Houston Independent School District

## General Fund Positions by Schools and Direct Report

AREA	NUMBER POSITIONS	NUMBER BY PERCENTAGE
SCHOOLS	16,471.77	84.19%
TRANSPORTATION	167.00	0.85%
FMO	525.00	2.68%
GENERAL ADMINISTRATION	31.00	0.16%
CHIEF OF STAFF	42.00	0.21%
CHIEF ACADEMIC OFFICER	247.08	1.26%
STRATEGIC PARTNERSHIPS	48.50	0.25%
HUMAN RESOURCES	76.25	0.39%
SCHOOL ADMINISTRATION-CENTRAL	176.83	0.90%
SCHOOL ADMINISTRATION-REGIONAL OFFICES	104.00	0.53%
CHIEF FINANCIAL OFFICER	204.30	1.04%
CHIEF OPERATING OFFICER (LESS TRANSPORTATION AND FMO)	1,385.59	7.08%
RESEARCH AND ACCOUNTABILITY	85.50	0.44%
<b>TOTAL BUDGET</b>	<b>19,564.82</b>	<b>100.00%</b>



# Houston Independent School District

## Salary Increase Proposal

**Teachers** 3%

**Employees Paid on the Master Salary Schedule**

Pay grades 5-17 3%

Pay grades 18 and Above 2%

Employees whose salary plan is  
SA3-SA5 (Principals and  
Assistant Principals) 3%

**Other**

Bus Drivers 3%

Food Service Employees 3%

All Other Hourly Employees 3%

**Incentive Pay Program**

School-Based \$14.5 M

Non-School Based \$ .2 M

**Total Salary Package Cost \$41 M**