

Budget Workshop #7

2019-2020 Fiscal Year Budget

Date: June 25, 2019

Presenter: Chief Financial Officer and
Budgeting and Financial Planning



Agenda

- HB3 Gain Calculation
- 2019-2020 Old Law vs New Law Budgets
- HB3 Salary Compliance
- Salary Proposal
- \$13-\$15 Salary Costs
- Other Funds

Guiding Principles Utilized for Developing a Balanced Budget

1. Calculate HB3 Revenue Gain
2. Ensure categorical compliance is met
State Compensatory Education, Career and Technical Education, Special Education, Bilingual Education
3. Set aside funds for school safety allotment and College, Career, and Military Readiness (CCMR)
4. Allocates remaining funds to compensation package
5. Exceeds HB 3 compensation increase mandate
6. All employees are included
7. Uses no unassigned fund balance

HB3 Salary Gain Calculation

2018-2019 Net Total State/Local Revenue	\$ 1,601,396,904
2018-2019 ADA	187,935
Per ADA	\$ 8,521
2019-2020 Net Total State/Local Revenue	\$ 1,714,079,884
2019-2020 ADA	187,105.401
Per ADA	\$ 9,161
Change per ADA	\$ 640
Total Gain on FSP ADA basis	\$ 119,747,457
Non-Administrator Salaries (30%)	\$ 35,924,237
Teachers / Nurses / Counselors / Librarians	26,943,178
Other Non-Administrators	\$ 8,981,059

2019-2020 Old vs New Law Gain

2019-2020 Current law to 2019-2020 HB3 change and other local revenue changes	\$ 135,223,167
2019-2020 Current law deficit	(35,528,299)
2019-2020 Net funds available	<u>\$ 99,694,868</u>

2019-2020 General Fund Budget

	June 18, 2019	HB3
Budgetd Roll Value	\$ 178,380,058,088	\$ 182,256,838,081
Estimated WADA	266,421.940	258,597.607
Estimated enrollment	208,246	208,246
Revenues and Resources		
5700-Local Sources	\$ 1,791,341,688	\$ 1,729,051,055
5800-State Sources	252,012,649	153,313,693
5900-Federal Sources	20,720,946	20,720,946
7900-Other Sources	37,589,788	37,589,788
Total Revenues	\$ 2,101,665,071	\$ 1,940,675,482
Beginning Appropriations	\$ 2,043,345,624	\$ 2,043,345,624
Change in recapture payment	\$ 22,276,050	\$ (272,492,039)
2018-2019 Step Schedule Salary Increases	5,030,470	5,030,470
2019-2020 Salary Increases (Master, Hourly, and Step)	-	56,892,178
Salary Increases	\$ 5,030,470	\$ 61,922,648

Changed from June 18, 2019 board meeting

2019-2020 General Fund Budget

	2019-2020 June 18, 2019	2019-2020 HB3
Increases / Decreases with Offsetting Revenue		
TRS On-Behalf	40,000,000	40,000,000
Capital Lease Recognition	15,089,788	15,089,788
State Compensatory Education (SCE)	10,702,505	10,702,505
Wrap Around Specialists (after mid-year adjustment)	6,483,724	6,483,724
Achieve 180	4,303,151	4,303,151
Tax Increment Reinvestment Zone (TIRZ)	2,495,718	1,051,051
Connections Academy State Comp Ed	2,431,866	2,431,866
Career and Technology Education (CTE) increase	1,834,770	1,834,770
HB3 Bilingual Education Allotment - Dual Language Program	-	3,452,836
HB3 Bilingual Education Allotment - Non-LEP in Dual Language Program	-	641,552
HB3 Increase in Special Education allotment	-	1,589,311
HB3 K-3 Early Reading Allotment (used for full-day PK) needed in State Compensatory Education	-	27,509,855
HB3 CCMR	-	7,790,471
HB3 School Safety Allotment	-	1,818,664
Total Increases / Decreases with Offsetting Revenue	\$ 83,341,522	\$ 124,699,544

Changed from June 18, 2019 board meeting

2019-2020 General Fund Budget

	2019-2020 June 18, 2019	2019-2020 HB3
Mandatory Increases		
Health Insurance	\$ 7,500,000	\$ 7,500,000
Charter School Enrollment Increase	2,727,968	2,727,968
Property, Liability, Auto Insurance	2,000,000	2,000,000
Harris County Appraisal District (HCAD)	402,268	402,268
Transfers Out for Debt Service	(11,374,898)	(11,374,898)
Total Mandatory Increases	\$ 1,255,338	\$ 1,255,338
Other Increases		
Facility and Custodial services	3,000,000	3,000,000
Special Education Teams	1,614,373	1,614,373
Fine Arts Positions for Campuses	1,564,920	1,564,920
College Readiness Grant Matching Funds (Houston Endowment)	600,000	600,000
Athletics Bond related transportation	500,000	500,000
AED Machines	400,000	400,000
2 Sr. Sourcing Specialists - Procurement	303,088	303,088
Equity and Outreach	237,348	237,348
2 HR Investigators	143,862	143,862
Total Other Increases	\$ 8,363,591	\$ 8,363,591

2019-2020 General Fund Budget

	2019-2020 June 18, 2019	2019-2020 HB3
Decreases		
Campus PUA Enrollment Decline from 2018-2019	(9,200,026)	(9,200,026)
District-wide Operating	(6,200,000)	(6,200,000)
Kandy Stripe contract non-renewal	(1,529,199)	(1,529,199)
Total Decreases	\$ (16,929,225)	\$ (16,929,225)
One-Year Funding Items		
Performance Audit	\$ (1,000,000)	\$ (1,000,000)
Total One-Year Funding Items	\$ (1,000,000)	\$ (1,000,000)
Total Appropriations and Transfers Out	\$ 2,145,683,370	\$ 1,949,165,482
Budget Surplus/(Deficit)	\$ (44,018,299)	\$ (8,490,000)
Use of assigned fund balance for North Forest construction	8,490,000	8,490,000
Net Budget Surplus/(Deficit)	\$ (35,528,299)	\$ 0
(Use of unassigned fund balance)		

Salary Proposal

HB3 Salary Increase Compliance

Teachers, Nurses, Counselors, Librarians (Filled, Full Time)	\$ 34,151,873	75% compliance, need \$27-30 million
Evaluation Specialists and Teacher Other (Filled, Full Time)	\$ 3,922,498	25% compliance, need \$9-11 million
Master (Filled, Full Time)	\$ 8,683,444	
Teachers, Nurses, Counselors, Librarians (Vacant, Filled part-time)	\$ 2,236,924	
Evaluation Specialists and Teacher Other (Vacant, Filled part-time)	\$ 370,469	
Master (Vacant, Filled part-time)	\$ 890,974	
AP's, Deans	\$ 1,713,561	
Principals	\$ 987,425	
Cabinet	\$ 92,335	
Bus Drivers	\$ 2,200,000	
Hourly	\$ 1,103,239	
Substitutes	\$ 539,435	
Total Salaried Costs	<u>\$ 56,892,178</u>	

Note: highlighted fields are eligible for HB3 salary increase compliance. Only filled, full-time positions can be counted. Increases in the teacher starting salary, part-time, and vacant positions cannot be counted towards compliance.

Salary Costs by Fund

Salaried Exempt and Non-Exempt	General Fund	Special Revenue	Nutrition Services	Capital Renovation	Enterprise	Internal Service Funds	Grand Total
Teachers	\$ 35,516,554	\$ 1,175,299	\$ -	\$ -	\$ -	\$ 5,922	\$ 36,697,774
Master	9,666,753	1,666,687	874,753	261,437	116,104	308,657	12,894,392
Teachers-Other	4,077,663	265,098	-	-	-	21,091	4,363,852
Counselors	872,244	197,782	-	-	-	-	1,070,026
AP High School	797,305	18,998	-	-	-	-	816,303
Principal Elementary	609,191	-	-	-	-	-	609,191
AP Middle School	462,403	-	-	-	-	-	462,403
AP Elementary	453,853	-	-	-	-	-	453,853
Principal High School	222,807	-	-	-	-	-	222,807
Evaluation Specialists	215,304	340,364	-	-	-	309,556	865,224
Principal Middle School	155,427	-	-	-	-	-	155,427
Grand Total	\$ 53,049,504	\$ 3,664,228	\$ 874,753	\$ 261,437	\$ 116,104	\$ 645,225	\$ 58,611,253
Hourly	General Fund	Special Revenue	Nutrition Services	Capital Renovation	Enterprise	Internal Service Funds	Grand Total
Bus Drivers	\$ 2,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,200,000
Hourly	1,103,239	334,761	859,977	22,900	9,278	38,292	2,368,448
Substitutes	539,435	66,755	-	-	-	-	606,190
Total Hourly	\$ 3,842,674	\$ 401,517	\$ 859,977	\$ 22,900	\$ 9,278	\$ 38,292	\$ 5,174,638
Total Salary Increase Cost	\$ 56,892,178	\$ 4,065,745	\$ 1,734,730	\$ 284,337	\$ 125,382	\$ 683,517	\$ 63,785,890

FTEs by Group and Fund

Salaried Exempt and		General Fund	Special Revenue	Nutrition Services	Capital Renovation	Enterprise	Internal Service Funds	Total FTE's
Non-Exempt								
AP Elementary	136.80	-	-	-	-	-	-	136.80
AP High School	199.98	5.00	-	-	-	-	-	204.98
AP Middle School	134.00	-	-	-	-	-	-	134.00
Counselors	208.24	47.00	-	-	-	-	-	255.24
Evaluation Specialists	58.79	79.20	-	-	-	-	67.00	204.99
Principal Elementary	168.00	-	-	-	-	-	-	168.00
Principal High School	50.00	-	-	-	-	-	-	50.00
Principal Middle School	53.00	-	-	-	-	-	-	53.00
Teachers	10,804.17	384.10	-	-	-	-	2.00	11,190.27
Teachers-Other	1,020.37	66.34	-	-	-	-	5.00	1,091.71
Master	6,730.44	758.39	813.40	105.95	57.65	159.05		8,624.88
Total	19,563.80	1,340.03	813.40	105.95	57.65	233.05	22,113.87	

Hourly	General Fund	Special Revenue	Nutrition Services	Capital Renovation	Enterprise	Internal Service Funds	Total FTE's
Bus Driver	1,295.00	-	-	-	-	-	1,295.00
Hourly	2,011.37	4,641.97	1,779.65	-	10.00	17.50	8,460.49
Substitute	3,505.00	106.00	-	-	-	-	3,611.00
Total	6,811.37	4,747.97	1,779.65	-	10.00	17.50	13,366.49

Total FTE's	26,375.17	6,087.99	2,593.05	105.95	67.65	250.55	35,480.36
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Master Schedule Job Title Examples by Grade

Master Grade	Sample Job Titles
00	ROTC and Temporary Assignments
01	Teacher, Nurse, Counselor, Librarians
05	Technology Analyst
07	Technology Analyst
09	Technology Analyst and App Developers
10	Technology Analyst
11	Technology Analyst, App Developers, Network Admins
12	Technology Analyst, App Developers, Database Admins, Network Admins
13	Technology Auditors, Developers, Managers
14	Technology Analyst, Sr. Database Admins, Security Engineers
15	Aide's, Custodians
16	Sr. Custodians, Food Service Attendants
17	Academic Tutors, Grounds Workers, Food Service Production Attendants, Transportation Helper
18	Sr. Academic Tutors, General Clerk I, Receptionists, Dispatchers, Fence Repairers, Food Service Attendants
19	Teaching Assistants, Data Entry Clerk, General Clerk II, Plant Operator, Tree Pruners, Repaiers, Food Services Attendants, Security Guard, Truck Driver
20	Special Ed Employment Reps, General Clerk III, Tractor Operators, Parent Engagement Reps, Accounting/Budget Clerk, Security Guard TL
21	Student Information Rep, Sr. Plant Operator, Exterminator, Fire Extringuish Tech, Substance Control Rep, Field Safety Inspector, Transportation Mechanic,

Master Schedule Job Title Examples by Grade

Master Grade	Sample Job Titles
22	Administrative Assistant, Small Engine Repairer, Welder, Carpenter, Glazier, Insulator, Locksmith, Maintenance Repairer, Payroll Tech, Police
23	Asset Clerk, Sr. Administrative Assistant, Heavy Equipment Operator, Multimedia Tech, Benefits Rep, Travel Rep, IT Business Analyst, Sr. Police
24	Attendance Case Worker, College Guidance Admin, College Career Guide Program Specialist, Admin Assistants, Custodial TL, Plumber, Telecom
25	Case Workers, Business Ops TL, Data Entry Clerk, Executive Admin Assistant, Maintenance TL's, Associate Accountant and Budget Analysts,
26	Outreach Worker, Compliance Rep, Sr. Electrician, Sr. HVAC Repairer, Sr. Plumbing, DDC Control Specialist, Web Designer, S. Business Analyst,
27	Special Ed Data Analyst, Special Ed Parent Liaison, College Success Advisor, Student Transfer Analyst, Manager, Facilities, Telecoms and
28	Grants Admin, Campus Education Tech, Instructional Specialist, Program Specialists, Master Electrician and Plumber, Manager Plant Production,
29	Curriculum Specialists, Special Ed Program Specialists, HS Grad Coach, College Success Manager, Accountant TL, Sr. Budget Analyst, Sr. Sourcing
30	Managers, Instructional Coach, Facilities Planner, Grounds and Maintenance Managers, HRIS Analyst, Teacher Development Specialists, Dyslexia
31	Curriculum Managers, Sr. Managers, Treasurer, Payroll Manager
32	Sr. Managers, Directors, Assistant Controllers, Assist Chief of Police, Audit Managers, Police Captain
33	Directors, Sr. Manager Facilities and Quality Assurance
34	Assistant Superintendents and General Managers
35	Officers and General Managers
36	Officers and General Managers
37	Controller, Chief Audit Executive, General Counsel, Area Superintendents
A	Superintendent
B	Chiefs

Master Schedule FTEs by Grade and Fund

Master	General Fund	Special Revenue	Nutrition Services	Capital Renovation	Enterprise	Internal Service Funds	Total FTEs	% of Total	Cumulative %
00	64.00						64.00	1%	1%
05	1.00						1.00	0%	1%
07	6.00						6.00	0%	1%
09	3.00						3.00	0%	1%
10	5.00	1.00			2.00		8.00	0%	1%
11	24.00			1.00			25.00	0%	1%
12	32.00	1.00	2.00		1.00	1.00	37.00	0%	2%
13	10.00				3.00		13.00	0%	2%
14	30.00		1.00				31.00	0%	2%
15	1,025.30			1.00			1,026.30	12%	14%
16	11.00		180.00			3.00	194.00	2%	16%
17	86.56	1.00	152.00		4.00	10.00	253.56	3%	19%
18	162.00	22.50	123.00	1.00		1.00	309.50	4%	23%
19	1,975.89	70.80	175.00	1.00		8.00	2,230.69	26%	49%
20	577.83	45.50	22.00	2.00	3.00	4.00	654.33	8%	56%
21	336.94	3.00	1.00			1.00	341.94	4%	60%
22	513.79	16.50	28.00	7.20	5.00	12.00	582.49	7%	67%

Master Schedule FTEs by Grade and Fund (cont.)

Master	General Fund	Special Revenue	Nutrition Services	Capital Renovation	Enterprise	Internal Service Funds	Total FTEs	% of Total	Cumulative %
23	124.30	9.00	10.80	10.20	9.00	18.70	182.00	2%	69%
24	276.38	7.00	18.00	4.62		5.60	311.60	4%	73%
25	292.50	9.50	11.20	5.18		11.00	329.38	4%	77%
26	187.85	37.00	15.60	3.40		15.15	259.00	3%	80%
27	162.85	89.70	36.00	17.50	18.00	11.95	336.00	4%	83%
28	305.20	117.00	11.00	8.40	8.40	13.60	463.60	5%	89%
29	174.39	85.15	9.00	3.20		9.75	281.49	3%	92%
30	130.56	201.84	6.80	14.70	3.00	17.10	374.00	4%	96%
31	52.75	28.00	5.00	1.00	0.25	9.00	96.00	1%	98%
32	34.35	7.90	2.00	13.25		5.50	63.00	1%	98%
33	32.00	2.00	2.00	3.00			39.00	0%	99%
34	52.33	2.00	1.00	0.67	1.00	1.00	58.00	1%	99%
35	15.00			5.00			20.00	0%	100%
36	4.50		1.00	1.80		0.70	8.00	0%	100%
37	9.67			0.33			10.00	0%	100%
A	1.00						1.00	0%	100%
B	10.50	1.00		0.50			12.00	0%	100%
Total	6,730.44	758.39	813.40	105.95	57.65	159.05	8,624.88	100%	100%

Average Increases

Category	Yrs Experience	% Increase	Average
Teachers, Nurses, Counselors, Librarians, Evaluation Specialists, Teacher Other	0-3	3.50%	\$ 1,839
Teachers, Nurses, Counselors, Librarians, Evaluation Specialists, Teacher Other	4-5	4.00%	\$ 2,111
Teachers, Nurses, Counselors, Librarians, Evaluation Specialists, Teacher Other	6-9	5.00%	\$ 2,720
Teachers, Nurses, Counselors, Librarians, Evaluation Specialists, Teacher Other	10-19	6.00%	\$ 3,414
Teachers, Nurses, Counselors, Librarians, Evaluation Specialists, Teacher Other	20-24	7.00%	\$ 4,293
Teachers, Nurses, Counselors, Librarians, Evaluation Specialists, Teacher Other	25+	8.00%	\$ 5,432
Elementary School AP's and Deans	0-3	3.50%	\$ 2,185
Elementary School AP's and Deans	4	4.00%	\$ 2,497
Elementary School AP's and Deans	5+	5.00%	\$ 3,466

Average Increases (cont.)

Category	Yrs Experience	% Increase	Average
Middle School AP's and Deans	0-3	3.50%	\$ 2,228
Middle School AP's and Deans	4	4.00%	\$ 2,546
Middle School AP's and Deans	5+	5.00%	\$ 3,528
High School AP's and Deans	0-3	3.50%	\$ 2,406
High School AP's and Deans	4	4.00%	\$ 2,749
High School AP's and Deans	5+	5.00%	\$ 3,901
Elementary Principals	0-3	4.50%	\$ 3,487
Elementary Principals	4+	5.00%	\$ 4,287
Secondary Principals	All	3.50%	\$ 3,995

Master Average Increase 3.5%

		Final Master Cost	
Job PS Level	Pos_Value	(no benefits)	Average
00	64.00	\$ 158,674	\$ 2,479
05	1.00	\$ 1,621	\$ 1,621
07	6.00	\$ 11,577	\$ 1,930
09	3.00	\$ 6,978	\$ 2,326
10	8.00	\$ 20,014	\$ 2,502
11	25.00	\$ 69,599	\$ 2,784
12	37.00	\$ 122,205	\$ 3,303
13	13.00	\$ 46,939	\$ 3,611
14	31.00	\$ 118,250	\$ 3,815
15	1,026.30	\$ 898,068	\$ 875
16	194.00	\$ 145,851	\$ 752
17	253.56	\$ 189,513	\$ 747
18	309.50	\$ 229,115	\$ 740
19	2,230.69	\$ 1,798,184	\$ 806
20	654.33	\$ 606,881	\$ 927
21	341.94	\$ 390,705	\$ 1,143
22	582.49	\$ 735,837	\$ 1,263

Master Average Increase 3.5% (Cont.)

Final Master Cost				
Job PS Level Pos	Value	(no benefits)	Average	
23	182.00	\$ 253,922	\$	1,395
24	311.60	\$ 472,600	\$	1,517
25	329.38	\$ 554,177	\$	1,682
26	259.00	\$ 465,982	\$	1,799
27	336.00	\$ 648,550	\$	1,930
28	463.60	\$ 976,961	\$	2,107
29	281.49	\$ 656,762	\$	2,333
30	374.00	\$ 950,661	\$	2,542
31	96.00	\$ 274,633	\$	2,861
32	63.00	\$ 200,303	\$	3,179
33	39.00	\$ 140,912	\$	3,613
34	58.00	\$ 251,461	\$	4,336
35	20.00	\$ 93,969	\$	4,698
36	8.00	\$ 33,103	\$	4,138
37	10.00	\$ 50,088	\$	5,009
A	1.00	\$ -	\$	-
B	12.00	\$ 92,295	\$	7,691
	8,624.88	\$ 11,666,389	\$	1,353

Bus Drivers

- Increase to \$18 per hour minimum
- All Bus drivers making over \$18 will receive \$1.35 hour per increase
 - \$18 per hour new rate less \$16.65 starting rate.
- \$2.2 million cost

\$13 to \$15 Cost Scenarios

Salary Costs by Fund for \$13 Min

Salaried Exempt and Non-Exempt	General Fund	Special Revenue	Nutrition Services	Capital Renovation	Enterprise	Internal Service Funds	Grand Total
Teachers	\$ 35,516,554	\$ 1,175,299	\$ -	\$ -	\$ -	\$ 5,922	\$ 36,697,774
Master	\$ 13,480,513	\$ 1,829,881	\$ 2,308,449	\$ 265,315	\$ 136,930	\$ 333,960	\$ 18,355,048
Teachers-Other	\$ 4,077,663	\$ 265,098	\$ -	\$ -	\$ -	\$ 21,091	\$ 4,363,852
Counselors	\$ 872,244	\$ 197,782	\$ -	\$ -	\$ -	\$ -	\$ 1,070,026
AP High School	\$ 797,305	\$ 18,998	\$ -	\$ -	\$ -	\$ -	\$ 816,303
Principal Elementary	\$ 609,191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 609,191
AP Middle School	\$ 462,403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 462,403
AP Elementary	\$ 453,853	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 453,853
Principal High School	\$ 222,807	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 222,807
Evaluation Specialists	\$ 215,304	\$ 340,364	\$ -	\$ -	\$ -	\$ 309,556	\$ 865,224
Principal Middle School	\$ 155,427	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 155,427
Grand Total	\$ 56,863,264	\$ 3,827,422	\$ 2,308,449	\$ 265,315	\$ 136,930	\$ 670,529	\$ 64,071,909

Hourly	General Fund	Special Revenue	Nutrition Services	Capital Renovation	Enterprise	Internal Service Funds	Grand Total
Bus Drivers	\$ 2,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,200,000
Hourly	\$ 1,258,250	\$ 715,714	\$ 1,916,605	\$ 52,282	\$ 28,966	\$ 44,925	\$ 4,016,741
Substitutes	\$ 954,695	\$ 95,091	\$ -	\$ -	\$ -	\$ -	\$ 1,049,786
Total Hourly	\$ 4,412,945	\$ 810,805	\$ 1,916,605	\$ 52,282	\$ 28,966	\$ 44,925	\$ 7,266,527

Total Salary Increase Cost	\$ 61,276,209	\$ 4,638,227	\$ 4,225,054	\$ 317,597	\$ 165,896	\$ 715,453	\$ 71,338,436
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Additional Cost over Original Plan	\$ 4,384,030	\$ 572,482	\$ 2,490,324	\$ 33,260	\$ 40,514	\$ 31,936	\$ 7,552,546
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Creates a \$4,384,030 General Fund Deficit

***We can revisit the hourly amount once we know more about HB3.*

Salary Costs by Fund for \$14 Min

Salaried Exempt and Non-Exempt	General Fund	Special Revenue	Nutrition Services	Capital Renovation	Enterprise	Internal Service Funds	Grand Total
Teachers	\$ 35,516,554	\$ 1,175,299	\$ -	\$ -	\$ -	\$ 5,922	\$ 36,697,774
Master	\$ 18,441,333	\$ 1,950,731	\$ 3,243,611	\$ 272,210	\$ 143,632	\$ 391,323	\$ 24,442,841
Teachers-Other	\$ 4,077,663	\$ 265,098	\$ -	\$ -	\$ -	\$ 21,091	\$ 4,363,852
Counselors	\$ 872,244	\$ 197,782	\$ -	\$ -	\$ -	\$ -	\$ 1,070,026
AP High School	\$ 797,305	\$ 18,998	\$ -	\$ -	\$ -	\$ -	\$ 816,303
Principal Elementary	\$ 609,191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 609,191
AP Middle School	\$ 462,403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 462,403
AP Elementary	\$ 453,853	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 453,853
Principal High School	\$ 222,807	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 222,807
Evaluation Specialists	\$ 215,304	\$ 340,364	\$ -	\$ -	\$ -	\$ 309,556	\$ 865,224
Principal Middle School	\$ 155,427	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 155,427
Grand Total	\$ 61,824,084	\$ 3,948,272	\$ 3,243,611	\$ 272,210	\$ 143,632	\$ 727,891	\$ 70,159,701

Hourly	General Fund	Special Revenue	Nutrition Services	Capital Renovation	Enterprise	Internal Service Funds	Grand Total
Bus Drivers	\$ 2,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,200,000
Hourly	\$ 1,488,267	\$ 1,106,379	\$ 3,713,176	\$ 52,282	\$ 28,966	\$ 44,925	\$ 6,433,995
Substitutes	\$ 1,738,518	\$ 145,861	\$ -	\$ -	\$ -	\$ -	\$ 1,884,379
Total Hourly	\$ 5,426,785	\$ 1,252,240	\$ 3,713,176	\$ 52,282	\$ 28,966	\$ 44,925	\$ 10,518,374

Total Salary Increase Cost	\$ 67,250,869	\$ 5,200,512	\$ 6,956,788	\$ 324,492	\$ 172,598	\$ 772,816	\$ 80,678,074
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Additional Cost over Original Plan	\$ 10,358,691	\$ 1,134,767	\$ 5,222,057	\$ 40,155	\$ 47,215	\$ 89,299	\$ 16,892,184
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Creates a \$10,358,691 General Fund Deficit

Salary Costs by Fund for \$15 Min

Salaried Exempt and Non-Exempt	General Fund	Special Revenue	Nutrition Services	Capital Renovation	Enterprise	Internal Service Funds	Grand Total
Teachers	\$ 35,516,554	\$ 1,175,299	\$ -	\$ -	\$ -	\$ 5,922	\$ 36,697,774
Master	\$ 24,079,381	\$ 2,113,953	\$ 4,234,722	\$ 285,091	\$ 150,334	\$ 450,797	\$ 31,314,278
Teachers-Other	\$ 4,077,663	\$ 265,098	\$ -	\$ -	\$ -	\$ 21,091	\$ 4,363,852
Counselors	\$ 872,244	\$ 197,782	\$ -	\$ -	\$ -	\$ -	\$ 1,070,026
AP High School	\$ 797,305	\$ 18,998	\$ -	\$ -	\$ -	\$ -	\$ 816,303
Principal Elementary	\$ 609,191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 609,191
AP Middle School	\$ 462,403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 462,403
AP Elementary	\$ 453,853	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 453,853
Principal High School	\$ 222,807	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 222,807
Evaluation Specialists	\$ 215,304	\$ 340,364	\$ -	\$ -	\$ -	\$ 309,556	\$ 865,224
Principal Middle School	\$ 155,427	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 155,427
Grand Total	\$ 67,462,132	\$ 4,111,494	\$ 4,234,722	\$ 285,091	\$ 150,334	\$ 787,365	\$ 77,031,138

Hourly	General Fund	Special Revenue	Nutrition Services	Capital Renovation	Enterprise	Internal Service Funds	Grand Total
Bus Drivers	\$ 2,200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,200,000
Hourly	\$ 1,728,018	\$ 1,496,104	\$ 5,382,466	\$ 52,282	\$ 41,427	\$ 50,971	\$ 8,751,268
Substitutes	\$ 2,787,356	\$ 199,034	\$ -	\$ -	\$ -	\$ -	\$ 2,986,390
Total Hourly	\$ 6,715,374	\$ 1,695,138	\$ 5,382,466	\$ 52,282	\$ 41,427	\$ 50,971	\$ 13,937,658

Total Salary Increase Cost	\$ 74,177,506	\$ 5,806,632	\$ 9,617,188	\$ 337,372	\$ 191,761	\$ 838,337	\$ 90,968,796
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Additional Cost over Original Plan	\$ 17,285,328	\$ 1,740,887	\$ 7,882,458	\$ 53,035	\$ 66,378	\$ 154,820	\$ 27,182,906
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Creates a \$17,285,328 General Fund Deficit

General Fund Salary Costs Comparisons

Category	6/18/2019 Proposal	\$13 Min	\$14 Min	\$15 Min
AP Elementary	\$ 453,853	\$ 453,853	\$ 453,853	\$ 453,853
AP Middle School	462,403	462,403	462,403	462,403
AP High School	797,305	797,305	797,305	797,305
Counselors	872,244	872,244	872,244	872,244
Evaluation Specialists	215,304	215,304	215,304	215,304
Master	9,666,753	13,480,513	18,441,333	24,079,381
Principal Elementary	609,191	609,191	609,191	609,191
Principal Middle School	155,427	155,427	155,427	155,427
Principal High School	222,807	222,807	222,807	222,807
Teachers	35,516,554	35,516,554	35,516,554	35,516,554
Teachers-Other	4,077,663	4,077,663	4,077,663	4,077,663
Bus Drivers	2,200,000	2,200,000	2,200,000	2,200,000
Hourly	1,103,239	1,258,250	1,488,267	1,728,018
Substitutes	539,435	954,695	1,738,518	2,787,356
Total Costs	\$ 56,892,178	\$ 61,276,209	\$ 67,250,869	\$ 74,177,506

Budget Deficit Impact \$ - \$ 4,384,030 \$ 10,358,691 \$ 17,285,328

General Fund Salary Costs Comparisons

Pay Grade	6/18/2019 Proposal	\$13 Min	\$14 Min	\$15 Min
00	\$ 175,359	\$ 464,176	\$ 493,051	\$ 521,927
05	\$ 1,792	\$ 1,792	\$ 1,792	\$ 1,792
07	\$ 12,795	\$ 12,795	\$ 12,795	\$ 12,795
09	\$ 7,712	\$ 7,712	\$ 7,712	\$ 7,712
10	\$ 13,849	\$ 13,849	\$ 13,849	\$ 13,849
11	\$ 72,243	\$ 72,243	\$ 72,243	\$ 72,243
12	\$ 118,511	\$ 118,511	\$ 118,511	\$ 118,511
13	\$ 41,698	\$ 41,698	\$ 41,698	\$ 41,698
14	\$ 126,340	\$ 126,340	\$ 126,340	\$ 126,340
15	\$ 991,611	\$ 2,475,523	\$ 4,615,837	\$ 6,768,511
16	\$ 36,675	\$ 39,292	\$ 47,723	\$ 58,634
17	\$ 76,826	\$ 195,463	\$ 369,697	\$ 545,525
18	\$ 135,151	\$ 354,742	\$ 552,724	\$ 777,875
19	\$ 1,737,495	\$ 3,251,704	\$ 5,233,031	\$ 7,580,003
20	\$ 590,164	\$ 708,435	\$ 875,937	\$ 1,209,040
21	\$ 425,855	\$ 473,978	\$ 625,666	\$ 809,358
22	\$ 724,551	\$ 725,911	\$ 728,828	\$ 800,357
23	\$ 198,965	\$ 202,200	\$ 213,691	\$ 226,910

General Fund Salary Costs Comparisons

Pay Grade	6/18/2019 Proposal	\$13 Min	\$14 Min	\$15 Min
24	\$ 468,930	\$ 475,321	\$ 507,034	\$ 538,760
25	\$ 550,145	\$ 558,741	\$ 623,089	\$ 687,455
26	\$ 383,034	\$ 383,034	\$ 383,034	\$ 383,034
27	\$ 353,817	\$ 353,817	\$ 353,817	\$ 353,817
28	\$ 682,635	\$ 682,635	\$ 682,635	\$ 682,635
29	\$ 445,032	\$ 445,032	\$ 445,032	\$ 445,032
30	\$ 389,407	\$ 389,407	\$ 389,407	\$ 389,407
31	\$ 162,490	\$ 162,490	\$ 162,490	\$ 162,490
32	\$ 118,123	\$ 118,123	\$ 118,123	\$ 118,123
33	\$ 127,570	\$ 127,570	\$ 127,570	\$ 127,570
34	\$ 251,953	\$ 251,953	\$ 251,953	\$ 251,953
35	\$ 78,770	\$ 78,770	\$ 78,770	\$ 78,770
36	\$ 20,243	\$ 20,243	\$ 20,243	\$ 20,243
37	\$ 54,677	\$ 54,677	\$ 54,677	\$ 54,677
A	\$ -	\$ -	\$ -	\$ -
B	\$ 92,335	\$ 92,335	\$ 92,335	\$ 92,335
Total Master	\$ 9,666,753	\$ 13,480,513	\$ 18,441,333	\$ 24,079,381

Other Required Funds

Debt Service Fund

- Fund pays back the district's principal and interest on long-term, general debt obligations.
- Primary source of revenues – Property Taxes
- Proposed Interest & Sinking (I&S) tax rate - \$0.1667
 - This is the same tax rate as prior year
- Current bond ratings:
 - Moody's: Aaa (highest possible rating)
 - Standard and Poor's: AA+
- Current total outstanding bonded debt - \$2,888,242,747

2019-2020 Recommended Debt Service Fund

REVENUES		
Property taxes	\$	295,289,491
Earnings on investments		1,700,000
Miscellaneous local sources		-
State sources		2,598,721
Federal sources		732,878
Total revenues		<u>300,321,090</u>
EXPENDITURES		
Debt service		
71 Principal		213,796,219
71 Interest and fiscal charges		138,064,729
71 Payment to escrow agents - current refunding		1,200,000
Total expenditures		<u>353,060,948</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(52,739,858)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in		52,807,342
Proceeds from sale of capital assets		-
Total other financing sources (uses)		<u>52,807,342</u>
Net change in fund balances		<u>67,484</u>
Estimated fund balances—beginning		105,566,745
Estimated Fund balances—ending	\$	<u><u>105,634,229</u></u>

Nutrition Services Fund

- Accounts for the district's Child Nutrition Program costs.
- Primary sources of revenues – federal reimbursement and USDA commodities.
- Reimbursements administered through Texas Department of Agriculture
- Serves over 45,000,000 meals (through May 2019)
- All meals served at no charge through USDA Community Eligibility Program (CEP)
- Includes reimbursement programs for dinner and summer site-based feeding

2019-2020 Recommended Nutrition Services Fund

OPERATING REVENUES:		
	Local Sources	\$ 4,656,414
	Earnings on investments	900,000
	State sources	585,000
	Federal sources	134,244,842
	Total revenues	<u>140,386,256</u>
OPERATING EXPENSES		
35	Food services	140,692,518
51	Facilities maintenance and operations	882,406
	Total expenditures	<u>141,574,924</u>
OTHER FINANCING SOURCES		
	Transfers In	-
	Capital Leases	-
	Transfers Out	-
	Total other financing sources (uses)	<u>-</u>
	Change in net position	<u>(1,188,668)</u>
	Estimated fund balances—beginning	25,793,868
	Estimated Fund balances—ending	<u><u>\$ 24,605,200</u></u>

Wrap-up

1. Discussed the HB3 gain calculation
2. Ensured we place funds into required categorial funds to remain compliant
3. Discussed the proposed compensation package covering all employees
4. Provided responses on costs at \$13, \$14, and \$15 minimum rate and employees included in each group (We can revisit the hourly amount once we know more about HB3)
5. Presented a balanced General Fund budget for 2019-2020
6. No use of unassigned fund balance
7. Presented the other required funds

Thank You

