

2006-2007 Alternate Budget Recommendation



*Board Meeting
June 29, 2006*



HOUSTON INDEPENDENT SCHOOL DISTRICT

Appropriation Comparison to Prior Year

2005-2006 Appropriations	\$1,360,313,600
Appropriation Increases	\$ 140,338,855
Appropriation Decreases	\$ (57,075,336)
2006-2007 Recommended Appropriations	\$1,443,577,119
2006-2007 Expected Fallout	\$ (20,000,000)
2006-2007 Net Appropriations	\$1,423,577,119

2006-2007 Appropriation Increases

	Recommended Increases	Adjustments	Adjusted Increases
Salary Package			
<i>District Provided Salary Increase</i>	\$ 43,222,408		\$ 43,222,408
<i>State Provided Salary Increase</i>	\$ 36,183,750		\$ 36,183,750
<i>Payroll Taxes and TRS fees</i>	\$ 4,747,013		\$ 4,747,013
School Resources			
<i>Resource Allocation Funding</i>	\$ 12,000,000		\$ 12,000,000
<i>Student Technology</i>	\$ 12,200,000	\$ (12,200,000)	\$ -
<i>Additional Per Unit Allocation Funding</i>	\$ 14,628,070	\$ (9,800,000)	\$ 4,828,070
Charter Schools			
<i>Salary Adjustment</i>	\$ 966,459		\$ 966,459
<i>Additional Per Unit Allocation Funding</i>	\$ 120,950		\$ 120,950
Instructional Related			
<i>Targeted/Unacceptable Schools</i>	\$ 3,000,000		\$ 3,000,000
<i>Reconstitution of Staff</i>	\$ 1,760,000		\$ 1,760,000
<i>Teacher Request for Proposal Project</i>	\$ 200,000		\$ 200,000
Facilities to Standard			
<i>Pay As You Go Program</i>	\$ 25,100,000	\$ (15,100,000)	\$ 10,000,000
Department Increases			
<i>Transportation/FMO Gasoline for Vehicles</i>	\$ 3,000,000		\$ 3,000,000
<i>FMO Custodial Equipment</i>	\$ 1,275,000		\$ 1,275,000
<i>Technology</i>	\$ 1,107,304		\$ 1,107,304
<i>Police Department-School Staffing</i>	\$ 717,300		\$ 717,300
<i>Police Department -Canine Dogs</i>	\$ 210,000		\$ 210,000
<i>Inspector General Staffing</i>	\$ 150,246		\$ 150,246
<i>Transportation Route Increases</i>	\$ 85,000		\$ 85,000
<i>Strategic Partnerships-Fine Arts Director</i>	\$ 54,971		\$ 54,971
District-wide Increases			
<i>Electricity</i>	\$ 9,100,000		\$ 9,100,000
<i>TIRZ Participation</i>	\$ 3,090,613		\$ 3,090,613
<i>Property Insurance</i>	\$ 2,353,885		\$ 2,353,885
<i>Other Miscellaneous</i>	\$ 241,195		\$ 241,195
<i>Audit Fees</i>	\$ 43,067		\$ 43,067
Debt Service			
<i>Food Service Warehouse</i>	\$ 1,881,624		\$ 1,881,624
TOTAL INCREASES TO DATE	\$ 177,438,855	\$ (37,100,000)	\$ 140,338,855

2006-2007 Appropriation Decreases

Schools		
Non-Title One Schools	\$	(1,000,000)
District-wide Funds		
<i>TRS Allocation</i>	\$	(10,270,000)
<i>District-wide Reserve Funds</i>	\$	(6,456,066)
<i>Workers' Compensation</i>	\$	(5,499,716)
<i>Contracted Services, Supplies and Other Operating</i>	\$	(3,917,158)
<i>Food Service Internal Allocation</i>	\$	(3,716,769)
<i>Pre-1972 Leave Benefit</i>	\$	(2,217,086)
<i>Consultants</i>	\$	(979,290)
<i>Closing of Tax Office</i>	\$	(750,000)
<i>Other Miscellaneous</i>	\$	(174,218)
Department Funds		
<i>Appeal Funds</i>	\$	(3,800,000)
<i>Project Grad</i>	\$	(2,900,000)
<i>Academic Services Staffing</i>	\$	(2,455,672)
<i>Region IV-SASI Contract</i>	\$	(136,000)
Transfers Out	\$	(12,803,361)
TOTAL DECREASES TO BUDGET	\$	(57,075,336)

2006-2007 General Fund Revenues

Revenue Source	Recommended Budget	Adjustment	Adjusted Budget
Sale of bonds	\$ 13,000,000		\$ 13,000,000
Transfers from other funds	\$ 4,900,000		\$ 4,900,000
Proceeds-leases	\$ 75,000		\$ 75,000
Taxes, current year	\$ 1,013,094,348	\$ (31,376,634)	\$ 981,717,714
Taxes, delinquent prior years	\$ 24,000,000		\$ 24,000,000
Taxes, penalty and interest	\$ 18,300,000		\$ 18,300,000
Revenue in lieu of taxes	\$ 1,350,000		\$ 1,350,000
Tuition, summer	\$ 350,000		\$ 350,000
Interest earnings	\$ 11,000,000		\$ 11,000,000
Rental of facilities	\$ 150,000		\$ 150,000
Miscellaneous revenues	\$ 3,000,000		\$ 3,000,000
Revenue other governments	\$ 3,247,660		\$ 3,247,660
Per capita state revenues	\$ 66,132,150		\$ 66,132,150
Foundation school program	\$ 241,192,822	\$ (12,143,902)	\$ 229,048,920
Other state revenues	\$ 722,000		\$ 722,000
TRS on behalf of	\$ 55,000,000		\$ 55,000,000
Fed revenue through TEA	\$ 3,113,400		\$ 3,113,400
Army/Air Force/Navy revenue	\$ 2,049,739		\$ 2,049,739
Grand Total	\$ 1,460,677,119	\$ (43,520,536)	\$ 1,417,156,583

Financial Projections 2006-2007

Undesignated Beginning Fund Balance	\$	135,613,062
Revenues	\$	1,417,156,583
Appropriations	\$	(1,443,577,119)
Unspent Funds	\$	20,000,000
Reserve Adjustments		
Reserve for Operations	\$	(6,857,829)
Undesignated Ending Fund Balance	\$	122,334,697



Appropriations by Function

HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2007 WITH COMPARATIVE DATA FOR PRIOR YEARS

	2002-2003 Actual	2003-2004 Actual	2004-2005 Actual	2005-2006 Projected	2006-2007 Budget
Revenues:					
Property taxes	959,892,632	994,705,346	1,038,710,598	1,084,150,539	1,024,017,714
Earnings on investments	5,087,403	2,919,354	7,917,058	11,000,000	11,000,000
Miscellaneous local sources	44,201,422	36,676,384	8,863,826	22,299,633	8,097,660
State sources	286,916,213	237,457,643	227,274,563	216,747,434	350,903,070
Federal sources	4,818,956	5,293,368	5,715,067	5,122,948	5,163,139
Total revenues	1,300,916,626	1,277,052,095	1,288,481,112	1,339,320,554	1,399,181,583
Expenditures:					
Current					
Instruction	753,488,606	764,078,074	756,457,320	786,473,476	874,718,382
Instructional resources and media services	19,226,149	18,280,235	14,990,085	18,848,543	17,074,828
Instructional staff development	39,745,044	21,436,801	17,424,738	9,152,286	8,218,173
Curriculum development	-	-	-	2,849,102	4,830,112
Instructional leadership	17,485,880	15,289,648	16,396,752	14,518,896	15,720,521
School leadership	101,157,345	103,780,213	102,960,389	103,597,134	110,141,421
Guidance, counseling, and evaluation services	36,989,240	30,384,995	27,513,088	37,727,081	36,658,808
Social work services	2,191,988	1,424,215	1,392,049	1,278,394	1,365,054
Health services	17,108,805	16,632,215	16,391,310	16,898,460	17,996,567
Student transportation	55,339,022	43,484,044	34,862,617	45,359,120	41,069,360
Food services	549,701	237,524	1,008,956	176,441	87,247
Co-Curricular/extracurricular activities	10,117,701	11,223,601	10,968,439	11,181,276	9,307,288
General administration	37,984,983	33,186,471	27,379,104	32,606,332	33,445,210
Plant maintenance and operations	136,664,392	135,809,762	138,636,893	164,195,320	169,880,864
Security and monitoring services	15,581,334	14,690,628	14,361,201	15,485,037	16,252,879
Data processing services	46,028,727	51,237,669	23,222,303	32,925,328	25,233,629
Community services	21,137,613	25,257,538	2,181,946	2,301,184	2,495,650
Juvenile justice alternative education programs	1,222,126	1,530,366	898,122	1,759,380	2,990,050
TIRZ Payments	-	-	29,213,095	30,446,611	33,628,613
Debt service					
Principal	377,900	342,034	207,564	88,760	-
Interest and fiscal charges	498,532	340,948	28,814	12,274	-
Capital outlay					
Facilities acquisition and construction	768,504	776,541	993,580	900,741	223,962
Total expenditures	1,313,663,592	1,289,423,522	1,237,488,365	1,328,781,176	1,421,338,618
Excess (deficiency) of revenues over (under) expenditures	(12,746,966)	(12,371,427)	50,992,747	10,539,378	(22,157,035)
Other Financing Sources (Uses)					
Transfers in	14,731,617	7,675,000	12,577,017	12,970,000	4,900,000
Transfers out	(17,146,625)	(23,743,614)	(26,502,935)	(47,767,311)	(22,238,501)
Capital leases	369,161	45,844	145,344	100,000	75,000
Proceeds from sale of contractual obligations	14,392,466	20,598,660	12,378,158	21,038,520	13,000,000
Total other financing sources (uses)	12,346,619	4,575,890	(1,402,416)	(13,658,791)	(4,263,501)
Net change in fund balances	(400,347)	(7,795,537)	49,590,331	(3,119,413)	(26,420,536)
Fund balances, beginning	215,497,202	215,096,855	207,301,318	256,891,649	253,772,236
Fund balances, ending	215,096,855	207,301,318	256,891,649	253,772,236	227,351,700

HOUSTON INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - DEBT SERVICE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007 WITH COMPARATIVE DATA FOR PRIOR YEARS

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
	Actual	Actual	Actual	Projected	Budget
Revenues					
Local maintenance taxes	85,991,124	89,723,579	106,568,806	125,012,692	148,077,675
Earnings on investments	987,620	631,489	1,446,465	1,800,000	1,800,000
Miscellaneous local sources	-	-	2,110	-	-
State sources	3,551,187	91,910	23,582	-	-
Total revenues	90,529,931	90,446,978	108,040,963	126,812,692	149,877,675
Expenditures					
Debt service					
Principal	50,372,417	55,605,458	49,858,954	53,766,281	64,266,932
Interest and fiscal charges	59,693,413	60,031,818	78,801,114	92,629,581	102,187,567
Total expenditures	110,065,830	115,637,276	128,660,068	146,395,862	166,454,499
Excess (deficiency) of revenues over (under) expenditures	(19,535,899)	(25,190,298)	(20,619,105)	(19,583,170)	(16,576,824)
Other Financing Sources (Uses)					
Transfers in	18,634,282	22,957,531	28,885,375	21,867,400	19,040,574
Proceeds from sale of bonds	83,195,000	-	306,498,766	459,201,781	-
Payments to escrow agents	(83,195,000)	-	(306,205,779)	(457,745,910)	-
Total other financing sources (uses)	18,634,282	22,957,531	29,178,362	23,323,271	19,040,574
Net change in fund balances	(901,617)	(2,232,767)	8,559,257	3,740,101	2,463,750
Fund balances, beginning	74,127,099	73,225,482	70,992,715	79,551,972	83,292,073
Fund balances, ending	73,225,482	70,992,715	79,551,972	83,292,073	85,755,823

HOUSTON INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET ASSETS - FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2007 WITH COMPARATIVE DATA FOR PRIOR YEARS

	2002-2003 Actual	2003-2004 Actual	2004-2005 Actual	2005-2006 Projected	2006-2007 Budget
Revenues:					
Food sales	15,691,341	15,208,335	14,285,756	15,812,984	15,635,378
Miscellaneous local sources	315,497	449,466	634,046	456,288	243,636
Total revenues	16,006,838	15,657,801	14,919,802	16,269,272	15,879,014
Expenditures:					
Current					
Food services	74,585,249	81,703,133	83,921,767	89,770,428	104,276,436
General administration	592,203	485,919	1,435,480	1,202,353	989,197
Plant maintenance and operations	3,128,031	3,732,954	2,779,687	3,513,403	5,269,725
Security and monitoring services	17,656	-	-	-	-
Data processing services	-	-	-	1,800,000	766,400
Capital Assets	-	-	-	-	-
Total expenditures	78,323,139	85,922,006	88,136,934	96,286,184	111,301,758
NONOPERATING REVENUES (EXPENSES)					
Earnings on investments	443,079	246,035	944,895	1,610,269	1,124,200
Grants from federal agencies					
Child nutrition program/Summer food program	69,173,889	73,691,139	68,120,584	65,870,115	74,569,462
Donated Commodities	3,887,112	4,523,949	5,605,249	4,685,346	4,400,969
State matching and other	727,008	721,140	699,638	698,000	698,000
Total nonoperating revenue	74,231,088	79,182,263	75,370,366	72,863,730	80,792,631
Change in net assets	11,914,787	8,918,058	2,153,234	(7,153,182)	(14,630,113)
Total net assets, beginning	24,923,041	36,837,828	45,755,886	47,909,120	40,755,938
Total net assets, ending	36,837,828	45,755,886	47,909,120	40,755,938	26,125,825