



Houston Independent School District



Every Student Every Day

**2005-2006
Recommended Budget
June 30, 2005**





Houston Independent School District

General Operating Fund Balances

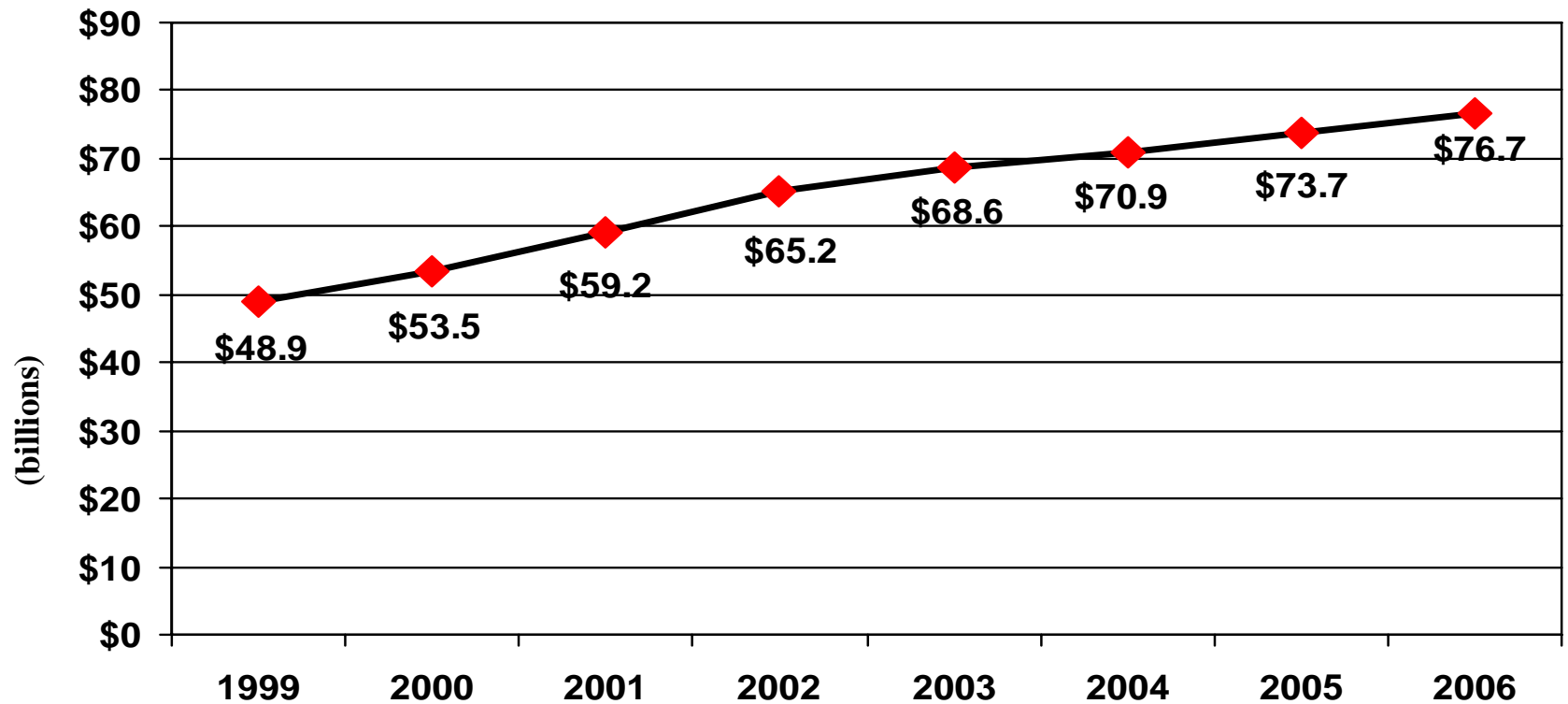
TYPE OF EQUITY	FUND BALANCE 6/30/2003	FUND BALANCE 6/30/2004	PROJECTED FUND BALANCE 6/30/2005
Undesignated	\$ 102,951,792	\$ 98,374,084	\$ 105,226,581
Designated for Operations	\$ 65,000,000	\$ 65,000,000	\$ 65,000,000
Permanent Fund	\$ 11,484,317	\$ 10,197,327	\$ 7,678,731
Insurance Fund	\$ 8,902,200	\$ 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
TOTAL	\$ 215,096,855	\$ 207,301,318	\$ 225,320,000



Houston Independent School District

Local Tax Roll

Total Assessed Value 1999-2006



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

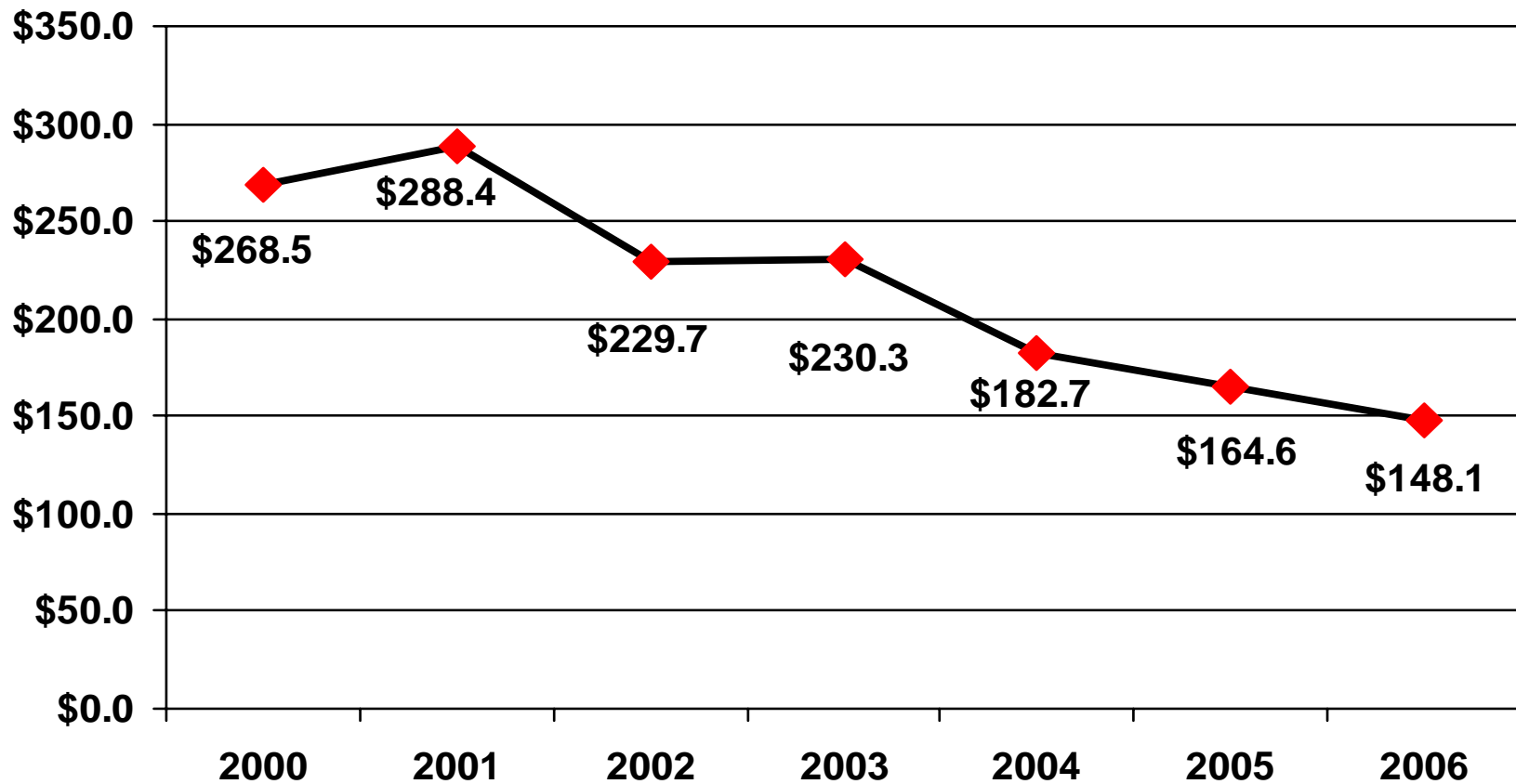


Houston Independent School District

State Revenues

(Foundation School Program)

State Revenues 2000-2006



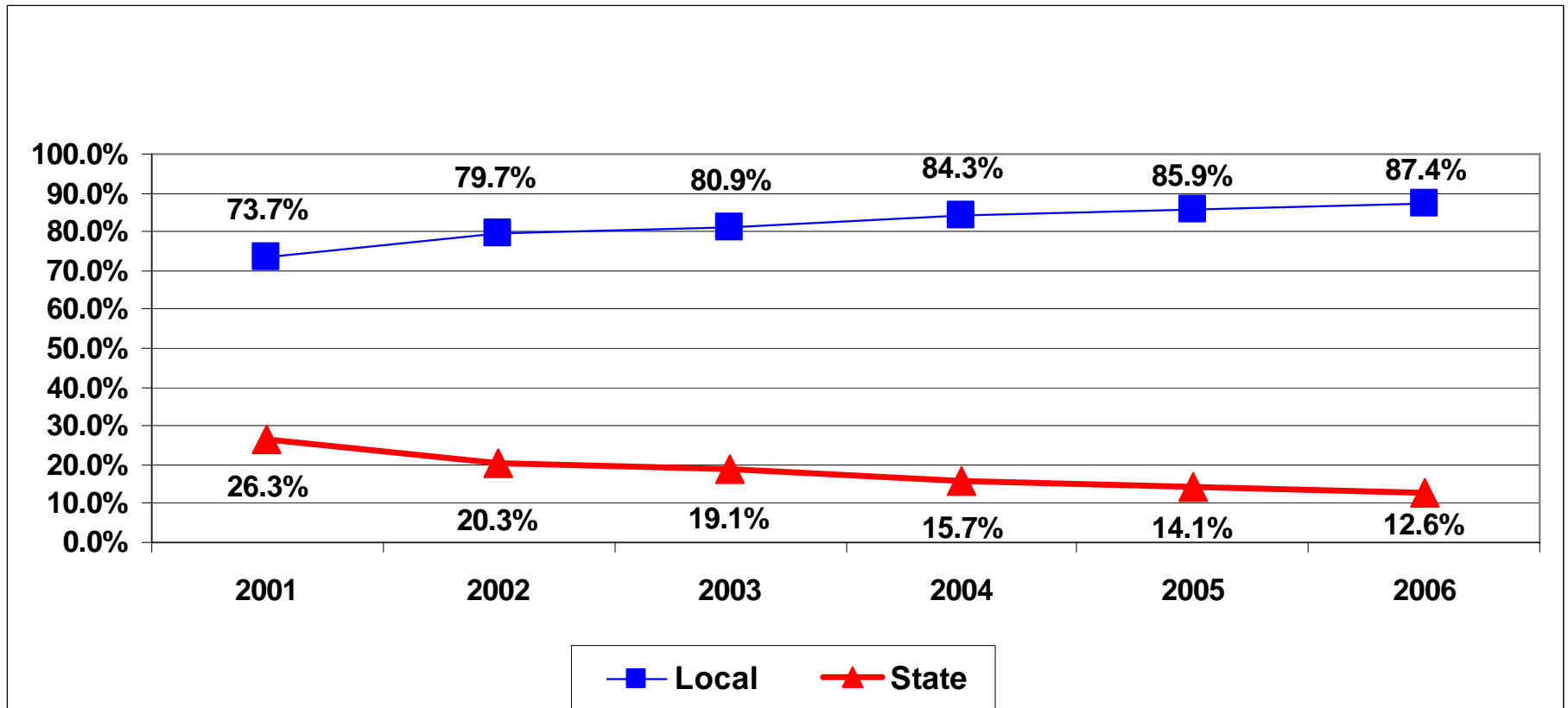
Note: 2000-2004 Are Actual Revenues; 2005-2006 are Projected Revenues



Houston Independent School District

Local Taxes vs. State Funding

(Per Capita & Foundation School Program)

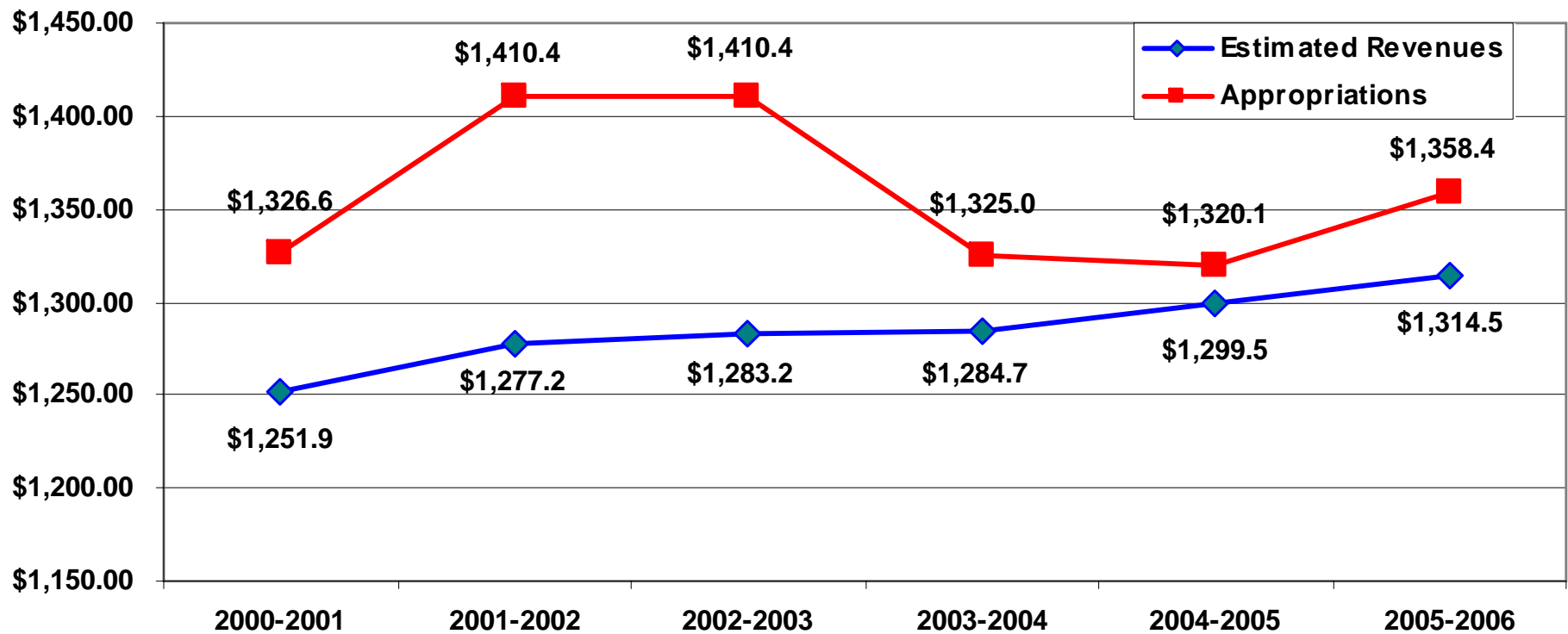




Houston Independent School District

Adopted Budget History

Adopted Budget History
(In Millions)





Houston Independent School District

Appropriation Comparison to Prior Year

2004-2005 Appropriation	\$1,320,054,301
Budget Increases	\$ 60,257,318
Budget Decreases	<u>\$ (21,898,019)</u>
2005-2006 Recommended Appropriation	<u><u>\$1,358,413,600</u></u>

(Note: Appropriations doest include expected fallout of \$40.7 millionm)



Houston Independent School District

Highlights

- No tax increase for the General Fund
- \$.021 tax increase for Debt Service
- Salary Increase for Employees
- Incentive Program for Teachers
- \$1 million for Title 1 students in non-Title 1 Schools
- \$1.9 million increase for pre-Kindergarten to serve all eligible students
- \$202,000 increase to fund “End of Course” exams for 9th graders
- The recommended General Fund budget is \$52 million less than five years ago.



Houston Independent School District

Financial Projections

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



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
Total Increases	\$ 39,959,833	\$ 31,893,042	\$ 39,220,187	\$ 60,257,318	\$ 171,330,380



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)	\$ (8,576,332)	\$ (65,867,953)
Other Districtwide & Non-School Reductions	\$ (10,944,396)	\$ (25,701,604)	\$ (1,296,500)	\$ (1,105,000)	\$ (39,047,500)
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)	\$ -	\$ (4,212,794)	\$ (10,412,794)
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)
Appeals Funding	\$ -	\$ -	\$ -	\$ (1,000,000)	\$ (1,000,000)
Outdoor Education	\$ -	\$ -	\$ -	\$ (900,000)	\$ (900,000)
Communities in Schools	\$ -	\$ -	\$ -	\$ (650,000)	\$ (650,000)
Total Decreases	\$ (39,959,833)	\$ (117,322,741)	\$ (44,165,886)	\$ (21,898,019)	\$ (223,346,479)



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



Houston Independent School District

Total Budgets for All Governmental Funds

Fund	2005 Adopted Budget	2006 Recommended Budget	% Change
General	\$ 1,320,054,301	\$ 1,358,413,600	2.91%
Debt Service	\$ 128,310,374	\$ 136,142,434	6.10%
Special Revenue	\$ 191,031,651	\$ 227,120,753	18.89%
Capital Projects	\$ 222,123,950	\$ 258,220,000	16.25%
Total Expenditures	\$ 1,861,520,276	\$ 1,979,896,787	6.36%



Houston Independent School District

Total Budgets for Internal Service Funds

Fund	2005 Adopted Budget	2006 Recommended Budget	% Change
Health Insurance Fund	\$ 108,648,103	\$ 110,361,616	1.58%
Print Shop Fund	\$ 4,836,942	\$ 4,379,300	-9.46%
Worker's Compensation	\$ 18,202,026	\$ 15,392,186	-15.44%
Professional Development Fund	\$ 2,779,731	\$ 4,373,679	57.34%
Alternative Certification Fund	\$ 4,060,715	\$ 4,425,884	8.99%
Media Services Fund	\$ 557,227	\$ 603,491	8.30%
Athletics Fund	\$ 6,516,565	\$ 6,580,875	0.99%
District Offices Shared Services Fund	\$ 12,571,544	\$ -	-100.00%
Special Education Shared Services	\$ -	\$ 6,269,049	100.00%
Total Internal Service	\$ 158,172,853	\$ 152,386,080	-3.66%

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.



Houston Independent School District

Total Budgets for Enterprise Funds

Fund	2005 Adopted Budget	2006 Recommended Budget	% Change
Medicaid	\$ 1,461,588	\$ 4,903,657	235.50%
Food Services	\$ 94,216,762	\$ 98,937,910	5.01%
Business Development	\$ 13,149,586	\$ 11,555,302	-12.12%
Total Enterprise Funds	\$ 108,827,936	\$ 115,396,869	6.04%

Enterprise Funds are used report any activity for which a fee is charged to external users for goods or services.