



LEANDER INDEPENDENT SCHOOL DISTRICT

Presentation Of 2014/2015 Proposed Budget

Meeting Of LISD Board Of Trustees

August 28, 2014

7:00 PM

Support Services Conference Room



School District Budget Requirements

School district budget requirements as established by Sections 44.002 through 44.006 of the Texas Education Code and the Texas Education Agency:

- ✓ The Superintendent is the budget officer for the district and causes the budget to be prepared.
- ✓ The district budget must be prepared each year by August 20 and adopted by August 31.
- ✓ The President of the Board of Trustees must call a public meeting of the Board of Trustees, giving at least 10 days public notice in the newspaper, for the adoption of the district budget. District taxpayers may be present and participate in the meeting.
- ✓ Concurrently with the publication of the meeting notice, the district must post a summary of the proposed budget to its website. The budget must include the elements outlined in Section 44.0041, TEC.
- ✓ The budget must be adopted before the adoption of the supporting tax rate.
- ✓ Budgets for the General Fund, the Food Service Fund, and the Debt Service Fund must be included in the official district budget. These budgets must be prepared and approved at least at the fund and function levels to comply with the state's legal level of control mandates.
- ✓ No funds may be expended which exceed the adopted functional categories until the board of trustees amends the budget appropriately.



The 2014/2015 Budget Development Timeline

REVISED BUDGET DEVELOPMENT TIMELINE 2014-2015 (Non-Legislative Year)		
Date	Board Meeting	Task/Action Required
January 9	Workshop	Presentation of proposed budget development timeline Confirm Board priorities and budget assumptions
January 23	Workshop	Presentation of preliminary aggregate budget and revenue estimates Presentation of projections, i.e.: enrollment, \$/student, and teacher/instructional assistant to student ratios
March 6	Workshop	Presentation of unmodified operating budget requests and capital outlay requests Presentation of preliminary staffing plan
April 3	Action Meeting	Request Board early release of essential positions/Propose teacher contracts for Renewal/ Non Renewal Presentation of [refined] early budget/revenue assumptions and projections
April 17	Action Meeting	Teacher contract action. [Send notice to non-renewal staff, if any] Update of budget aggregates (budget, revenue, tax) Request Board early release of essential positions Request Board early release of essential capital outlay items
May 1	Workshop	Update of budget aggregates (budget, revenue, tax) Update on preliminary property value Request Board early release of essential positions
May 15	Action Meeting	Request Board early release of essential positions
June 5	Workshop	Presentation of refined budget and tax information based on latest available estimates Presentation of teacher and non-teacher salary studies and recommended teacher and non-teacher salary scales for 14/15 Presentation of very preliminary tax rate scenarios Request Board early release of essential positions
June 19	Action Meeting	Presentation of refined budget and tax information based on latest available estimates Request Board early release of essential positions Request Board approval of teacher/non-teacher salary scales and stipend scales for 14/15
July 17	Action Meeting (only 1 mtg in July)	Presentation of administrative recommendation for 14/15 budget Present Estimated Tax Rate Calculations and Effect on Average Homeowner Presentation of Fund Balance estimates and plan for application, if appropriate Board President calls a meeting for the purpose of adopting a budget for the succeeding fiscal year for August 28th Request Board early release of essential positions, if applicable
July 25	N/A	<i>Williamson Central Appraisal District's Chief Appraiser Certifies 2014 Tax Roll to District</i>
August 7	Workshop	Presentation of refined Budget, Tax Rates, and Effect on Average Homeowner Presentation of Fund Balance estimates and plan for application, if appropriate Presentation of Official Chapter 41 Notification with choice selection and option 3 agreement
August 13	N/A	<i>Required Public Notice of August 28th Public Meeting in Four Points News (requires minimum of 10 days/maximum of 30 days prior to hearings) Due to local paper Friday, August 8, if public meeting is on August 28</i> <i>Post required summary of proposed budget to website (Section 44.004 of the Education Code)</i>
August 14	N/A	<i>Required Public Notice of August 28th Public Meeting in Hill Country News (requires minimum of 10 days/maximum of 30 days prior to hearings) Due to local paper Friday, August 8, if public meeting is on August 28</i>
August 14	N/A	<i>Travis Central Appraisal District's Chief Appraiser Certifies 2014 Tax Roll to District</i>
August 21	Action Meeting	Presentation and Board Approval of Certified 2014 Tax Roll and Updated Estimated Tax Rate Calculations and Effect on Average Homeowner
August 28	Special Meeting	Final Amendment of 13/14 Budget 14/15 Public Budget and Tax Rate Meeting, with Separate Meeting for Adoption of Budget, with possible adoption of tax rate



The Proposed General Operating Budget

Definition: All income and expenses necessary to operate the school district, for example, salaries and benefits, utilities, equipment, supplies are paid from the general fund budget. The operating budget is funded through local taxes, state and federal allocations, and local revenue.

The Proposed General Operating Budget for 2014/2015

\$258,536,369

\$7,118/pupil

Projected 36,320 students in average daily membership

(Based on demographer's low-growth projections)



How Does The Proposed 2014/2015 General Operating Budget Compare To The 2013/2014 Budget?

	<u>ADOPTED 2013/2014</u>	<u>PROPOSED 2014/2015</u>	<u>CHANGE</u>
Student Enrollment	34,938	36,320	+ 3.96%
General Fund Budget	\$ 247,399,397.00	\$ 258,536,369.00	+ 4.50%
Estimated Levy/Pupil	\$ 4,148.65	\$ 4,492.72	- 8.29%
Estimated Local Revenue/Pupil	\$ 159.54	\$ 154.79	- -2.98%
Estimated State Aid/Pupil	\$ 2,486.68	\$ 2,396.16	- -3.64%
Application of Revenues from other sources/Pupil	<u>\$ 286.23</u>	<u>\$ 220.28*</u>	- -23.04%
Estimated Revenues/Pupil	\$ 7,081.10	\$ 7,263.95**	+ 2.58%
Major Maintenance Levy/Pupil	\$ 93.82	\$ 81.75	- -12.87%
Personnel Costs/Pupil	\$ 6,131.93	\$ 6,181.27	+ 0.80%
Operating Costs/Pupil	\$ 872.61	\$ 885.80	+ 1.51%
Capital Outlay Costs/Pupil	<u>\$ 76.56</u>	<u>\$ 51.23</u>	- -33.09%
General Operating Budget/Pupil	\$ 7,081.10	\$ 7,118.30	+ 0.53%
<i>General Operating Increase/Pupil</i>		\$ 37.20	

* \$6,000,000 General Fund Balance applied pursuant to three-year strategy

** Assumes revenues in excess of proposed expenditures



What are Some of the Differences In The Proposed 2014/2015 General Fund Budget?

- 1,382 new students (comparing proposed budget to 13/14 budget at adoption)
- SB1 legislation partially restored formula funding (year two)
- Continuation with tighter teacher/pupil ratios at elementary and middle school
- Balance of start-up funding for Officer Leonard A. Reed Elementary School scheduled for opening in 14/15
- Start-up funding for Christine Camacho Elementary School scheduled for opening in 15/16
- Net increase of 67.57 (111.07 growth positions for 2014/15, less 9 contingency positions, 22 Elementary Theatre Arts positions, and 12.5 central and Data Assessment Coordinator positions)
- Salary increases of 1.5% off midpoint for all staff and step increases on the teacher salary scale
- Capital outlay requests totaling \$1,860,601
- Realignment of the Performing Arts Program at elementary
- Reduction of one cent to Major Maintenance Levy
- Authorized application of \$6 million from General Fund Balance
- Additional Accelerated Instruction Costs due to HB 5
- Increased utility costs over \$516,000 (Reed Elementary \$150,000; PEC increase of \$366,000)



Proposed Changes To Personnel Costs 61XX

2013/2014 Personnel Budget	\$214,237,357	\$ 6,131.93 per student (34,938 students)
+ 13-14 Reclassifications, Adjustments, Additional Days/Stipends	\$ 291,596	
+ New School Start-up Salaries and Balance of Prior Year	\$ 596,945	
- Reduction for Unused Contingencies and 1 AP scale	\$ (429,610)	
+ 14/15 Reclassifications/Adjustments (AP review/ salary adjustments)	\$ 627,089	
+ Addition of 106.07 New General Funded Positions	\$ 5,529,709	(details on next slide)
+ Raises and Scale Adjustments	\$ 2,859,301	
+ 1.5 % TRS Payroll Tax	\$ 2,351,296	
- Increase to OT/PT/Temps/Subs/Stipends	\$ 149,451	
- Decrease for Eliminated Positions	\$ (1,709,470)	
Total Increase to Personnel Budget	\$ 10,266,307	
 2014/2015 Proposed Personnel Budget	 \$ 224,503,664	 \$ 6,181.27 per student (36,320 students)
 <i>Proposed Change</i>		 \$ 49.34 increased cost per student 4.79% proposed budget increase



Summary of New Positions for 2014/15

Campus Based Positions

Position	Total FTE's	General Fund Cost
Regular Classroom Teachers by Formula	47.57	\$2,557,173
Special Program Teachers	11.00	\$ 591,316
Special Education Teachers	22.00	\$1,182,632
Diagnostician	1.00	\$ 60,275
Licensed Specialist in School Psychology (LSSP)	1.00	\$ 60,275
Speech/Language Pathologist (SLP)	1.00	\$ 56,075
Band Directors	2.00	\$ 118,002
Assistant Principals by Formula	3.00	\$ 230,427
Instructional Coach	1.00	\$ 56,553
Special Education Instructional Assistants	10.00	\$ 259,860
PE/Fine/Office Instructional Assistants	1.00	\$ 26,320
Bookkeeper	0.50	\$ 17,032
SUBTOTAL NEW CAMPUS POSITIONS	101.07	\$5,215,940



Summary of New Positions for 2014/15

Non-Campus Based Positions

Position	Total FTE's	General Fund Cost
Career & Technology Specialist/Coordinator *	1.00	\$ 74,875
Curriculum Specialist - Secondary Mathematics	1.00	\$ 70,278
Transportation Trips Assistant	1.00	\$ 25,379
Bus Drivers	5.00	\$ 110,745
Bus Monitors	2.00	\$ 32,492
SUBTOTAL NEW NON-CAMPUS POSITIONS	10.00	\$ 313,769
TOTAL GENERAL FUNDED POSITIONS	111.07	\$5,529,709

* Cost fully offset by additional Career and Technology weighting



Historical Comparison Of Changes to Personnel Budget

	<u>Adopted</u> <u>2008/2009</u>	<u>Adopted</u> <u>2009/2010</u>	<u>Adopted</u> <u>2010/2011</u>	<u>Adopted</u> <u>2011/2012</u>	<u>Adopted</u> <u>2012/2013</u>	<u>Adopted</u> <u>2013/2014</u>	<u>Proposed</u> <u>2014/2015</u>
Number of Students (ADM) Projected	28,758	29,701	32,255	33,320	34,349	34,938	36,320
Number of New Students in Projected ADM	2,248	943	2,554	1,065	1,029	589	1,382
Number of New Positions Added (General Funded Only)	216.00	122.50	187.00	0.00	140.75	123.96	111.07
Ratio of New Students to New Positions Added *	10.41	7.70	13.66	0.00	7.31	4.75	12.44
General Fund Cost of New Positions Added	\$10,044,214	\$5,805,165	\$8,883,460	\$0	\$6,493,480	\$5,776,130	\$5,529,709
Reduction to Existing Positions	\$0	\$0	(\$1,074,011)	(\$10,937,708)	\$0	(\$1,018,982)	(\$1,709,470)
Cost of Positions Added Post Budget Adoption in Prior Year/ (Reduction for Unused Contingency Teaching Positions)	\$649,098	\$0	\$305,477	\$0	\$0	(\$544,435)	\$163,475
Adjustment for Positions Moved to/from Other Funding Source	(\$1,100,419)	(\$262,981)	(\$650,000)	\$0	\$300,000	(\$287,021)	0
Cost of New School Start-up & Balance of Current Year Start-up	\$2,175,862	\$2,088,549	\$1,978,402	\$873,494	\$936,185	\$191,084	\$596,945
Cost of Raises, Scale Adjustments, Stipends **	\$5,658,909	\$4,384,497	\$3,421,216	\$0	\$3,513,785	\$2,789,235	\$5,950,549
Cost of Increase to Health Insurance Contribution	\$0	\$0	\$0	(\$482,002)	\$0	\$20,000	0
Cost of Increase to OT/PT/Temps/Subs/Stipends	\$476,280	\$43	(\$132,676)	(\$173,369)	\$58,367	(\$78,899)	\$108,424
Adjustments to prior year Budget					\$280,000	\$182,172	(\$373,325)
HS Allotment Program Positions	\$0	\$0	\$774,182	\$2,965,979	\$0	\$0	0
Amendment to Personnel 1Q for Lower Enrollment Trending	\$0	\$0	(\$1,728,512)	\$0	\$0	\$0	0
Total Increase to Personnel Budget	\$17,903,944	\$12,015,273	\$11,777,538	(\$7,753,606)	\$11,581,817	\$7,029,284	\$10,266,307
% Increase/Decrease to Personnel Budget at Adoption	11.04%	6.69%	7.05%	-3.75%	5.92%	3.39%*	4.79%
% Increase to "Projected" Enrollment	8.48%	3.28%	8.60%	3.30%	3.09%	1.71%	3.96%
New Campuses Opening in that School Year (Balance of Start-up Positions Funded)	RHS#4, Parkside EL#20, Westside EL#21	RHS#4 (adding 10th), VHS#5 (9th-10th), Reagan EL#22, River Ridge EL#23	FPMS#7, RHS#4 (+11th) & VHS#5 (+ 11th)	RHS#4 (+12th) & VHS#5 (+ 12th)	Stiles MS		Reed Elementary
New Campuses Opening in the Following Year (Partial Year Start-up Positions Funded)	RHS#4 (+10th), VHS#5 (9th-10th), Reagan EL#22, River Ridge EL#23	FPMS#7, RHS#4 & VHS#5 (+ 11th)	EL#24, MS#8, HS#4 (+12th), HS#5 (+12th)	MS#8	Reed Elementary (delayed)	Reed Elementary	Christine Camacho Elementary

* Ratio does not reflect positions eliminated

** This includes the mandatory 1.5% TRS increase in 2014/2015



Proposed Changes To Operation Costs 62XX-65XX

2013/2014 Operations Budget	\$30,487,315	\$ 872.61 per student (34,938 students)
+ Increase to Campus Operating Allocations	\$ 329,996	(increase for growth)
+ Increase to Departmental Budgets	\$ 1,304,793	(utilities, central appraisal district costs, career and technology, etc.)
+ Increase to Improvement Fund	\$ 50,000	
Total Increase to Operations Budget	\$ 1,684,789	
2014/2015 Proposed Operations Budget	\$ 32,172,104	\$ 885.80 per student (36,320 students)
<i>Proposed Change</i>		\$ 13.18 increased cost per student 5.53% proposed budget increase



Proposed Changes To Capital Outlay 63XX & 66XX

2013/2014 Capital Outlay Budget	\$ 2,674,725	\$ 76.56 per student (34,938 students)
- Decrease to General Funded Capital Outlay	<u>\$ (814,124)</u>	
2014/2015 Proposed Capital Outlay Budget	\$ 1,860,601	\$ 51.23 per student (36,320 students)
<i>Proposed Change</i>		\$ (25.33) decreased cost per student -30.44% proposed budget decrease



Capital Outlay – Detail 63XX & 66XX

\$ 1,860,601

Proposed 2014/2015 Capital Outlay Budget Includes:

\$351,200 Classroom and Cafeteria Furniture

\$68,650 Athletic Equipment

\$721,166 Band Instruments and Fine Arts Requests

\$3,000 Curricular Materials

\$35,253 Safety

\$533,032 Technology for New Students and Staff, and Replacement Telephone Instruments

\$22,800 Transportation

\$125,500 Plant Services Vehicles and Equipment

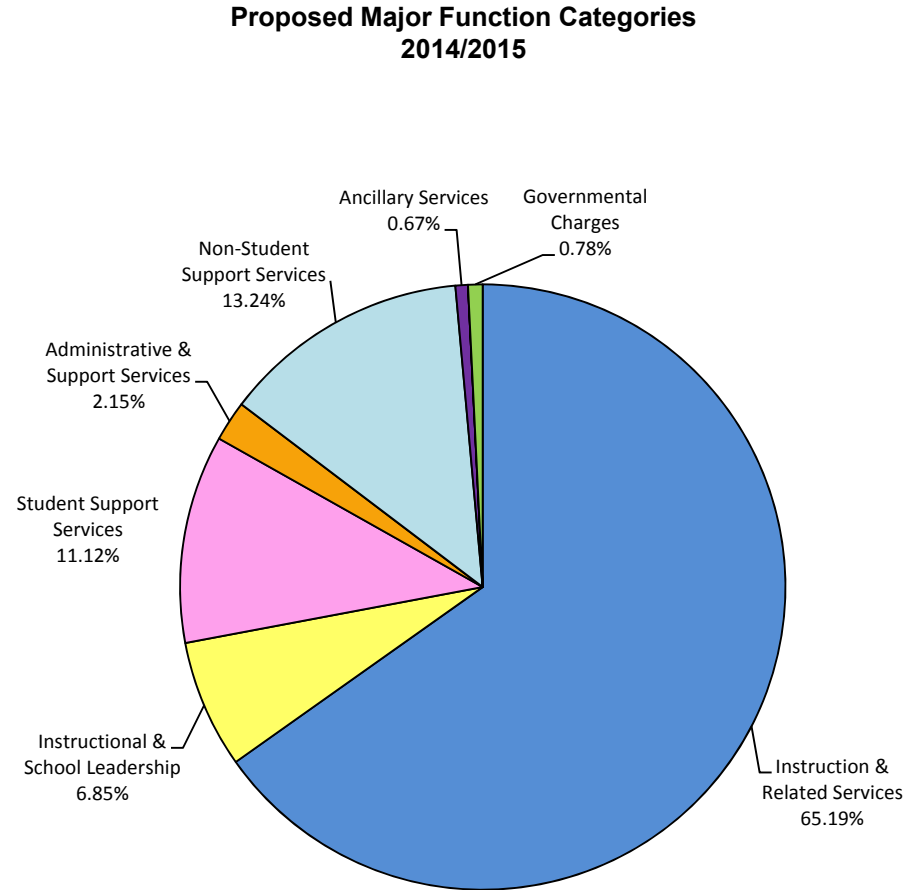
\$1,860,601

Note: The original requests from campuses/departments totaled \$16,934,968



What Is The Functional Breakdown Of The Proposed 2014/2015 General Operating Budget ?

<u>Description of Budget Functions:</u>		<u>Amount</u>	<u>Budgeted \$</u> <u>Per Student</u>	<u>% of Budget</u>
11	Instruction	\$158,238,039	\$4,356.77	61.21%
12	Instructional Resources/Media	\$3,007,537	\$82.81	1.16%
13	Curr/Staff Development	\$7,296,216	\$200.89	2.82%
Instruction & Related Services		\$168,541,792	\$4,640.47	65.19%
21	Instructional Leadership	\$2,292,997	\$63.13	0.89%
23	School Leadership	\$15,419,495	\$424.55	5.96%
Instructional & School Leadership		\$17,712,492	\$487.68	6.85%
31	Guidance & Counseling	\$10,222,898	\$281.47	3.95%
32	Social Work/Truancy	\$738,870	\$20.34	0.29%
33	Health Services	\$2,087,416	\$57.47	0.81%
34	Student Transportation	\$8,208,644	\$226.01	3.18%
35	Food Services	\$0	\$0.00	0.00%
36	CoCurr/Extracurricular	\$7,489,770	\$206.22	2.90%
Student Support Services		\$28,747,598	\$791.51	11.12%
41	General Administration	\$5,571,423	\$153.40	2.15%
Administrative & Support Services		\$5,571,423	\$153.40	2.15%
51	Plant Maintenance & Operations	\$26,516,514	\$730.08	10.26%
52	Security & Monitoring	\$1,474,639	\$40.60	0.57%
53	Data Processing Services	\$6,244,936	\$171.94	2.42%
Non-Student Support Services		\$34,236,089	\$942.62	13.24%
61	Community Services	\$1,720,567	\$47.37	0.67%
Ancillary Services		\$1,720,567	\$47.37	0.67%
71	Debt Service	\$0	\$0.00	0.00%
Debt Service		\$0	\$0.00	0.00%
95	JJAEP (Juvenile Justice)	\$330,625	\$9.10	0.13%
99	Tax Collection Services	\$1,675,783	\$46.14	0.65%
Governmental Charges		\$2,006,408	\$55.24	0.78%
PROPOSED 2014/2015 BUDGET		\$258,536,369	\$7,118.29	100.00%

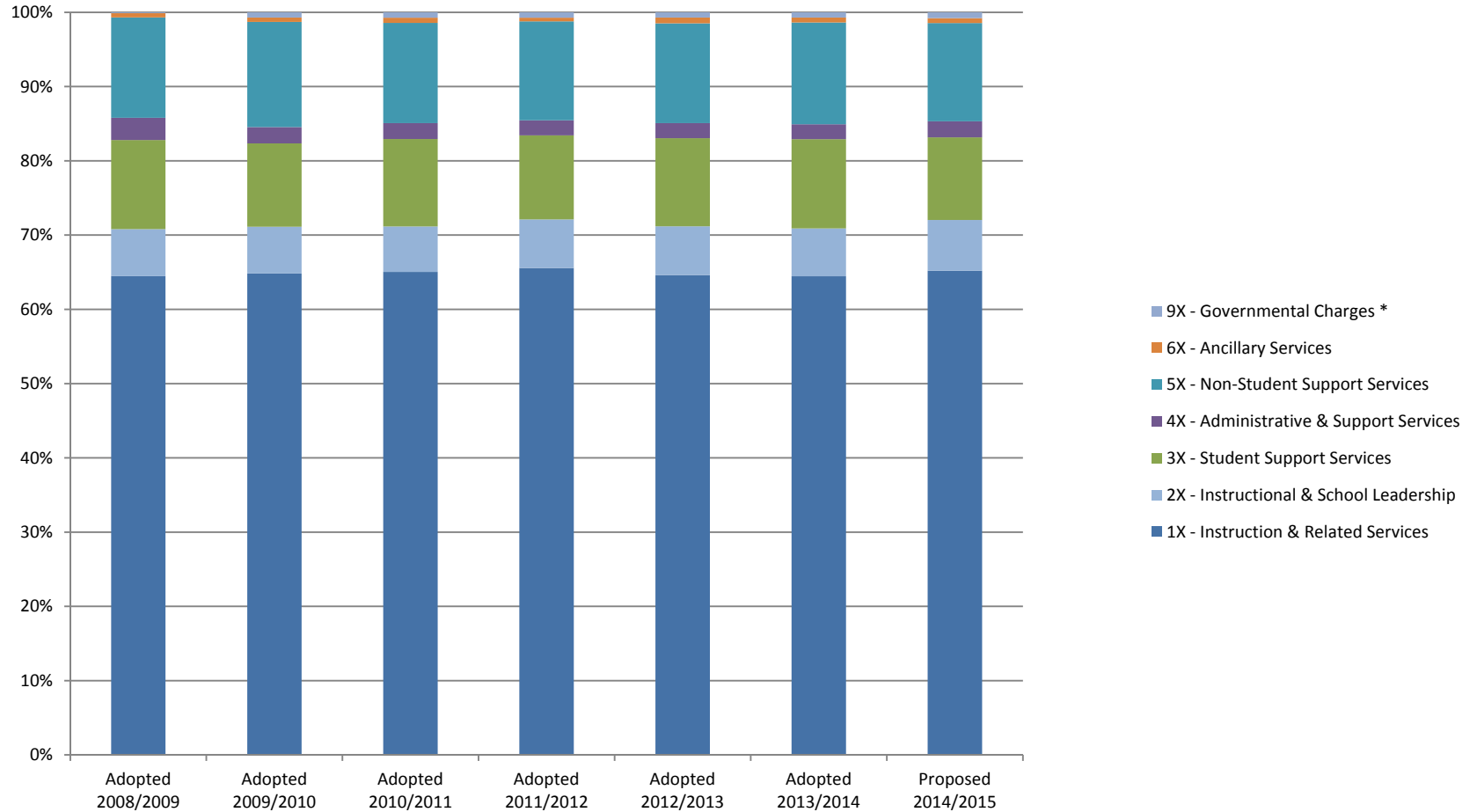


<u>Functions</u>		<u>Amount</u>	<u>%</u>
Direct Student Services (11-36, 95-99)		\$215,332,507.00	83.29%
School/Infrastructure Support (41-71)		\$43,203,862.00	16.71%
		\$258,536,369.00	100.00%

*Budgeted \$ per student may be off +/- .01 due to rounding



What Has Been The Functional Distribution Of The General Operating Budget Over Time?



* 9X includes cost of county tax collections, due to closing of district tax office on 9/1/2008



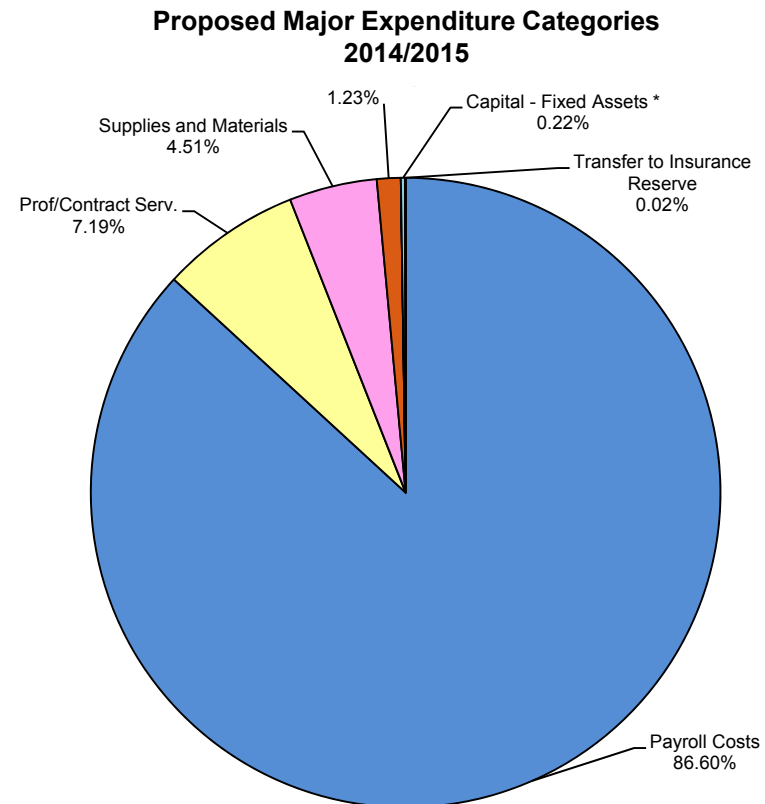
What Is The Major Object Breakdown Of The Proposed 2014/2015 General Operating Budget?

Description of Major Object Classifications:

- 6100's** Used to record gross salaries or wages and benefits costs for employee services
- 6200's** Used to record expenditures/expenses for professional & contracted services rendered to the district by firms, individuals, and other organizations
- 6300's** Used to record all expenditures/expenses for supplies and materials, and capital outlay items up to \$5,000
- 6400's** Used to record all expenditures/expenses that do not fit another major object category (ex: travel & subsistence, fees & dues)
- 6500's** Used to classify payments of debt principal and interest payments including long term capital lease purchases
- 6600's** Used to record fixed assets - items with unit cost of \$5,000 or greater (including land, buildings, vehicles, some computer equipment, musical instruments, high capacity copiers, and telephone systems)
- 8900's** Used to classify operating transfers to other funds of the school district (i.e. budgeted annual deposit to the Self-Funded Insurance Deductible Reserve)

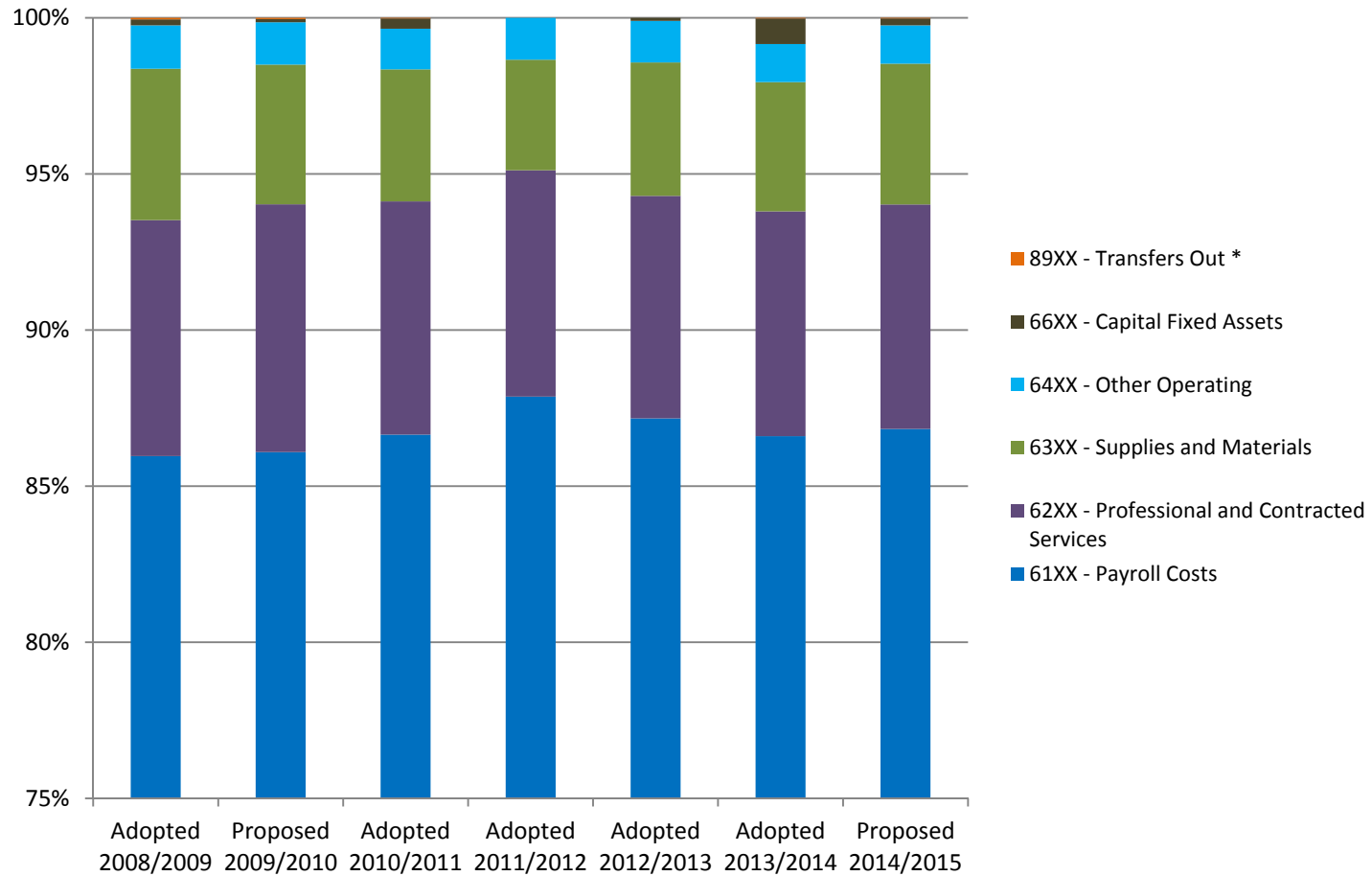
Category	Amount	% of Budget
Payroll Costs	\$224,503,664	86.84%
Prof/Contract Serv.	\$18,585,912	7.19%
Supplies and Materials	\$11,648,596	4.51%
Other Operating	\$3,167,552	1.23%
Debt Services	\$0	0.00%
Capital - Fixed Assets *	\$580,645	0.22%
Transfer to Insurance Reserve	\$50,000	0.02%
Total	\$258,536,369	100.00%

*This does not include all capital outlay items; only fixed assets





What Has Been The Major Object Distribution Of The General Operating Budget Over Time?



* Transfers out to other funds (e.g., Insurance Reserve)

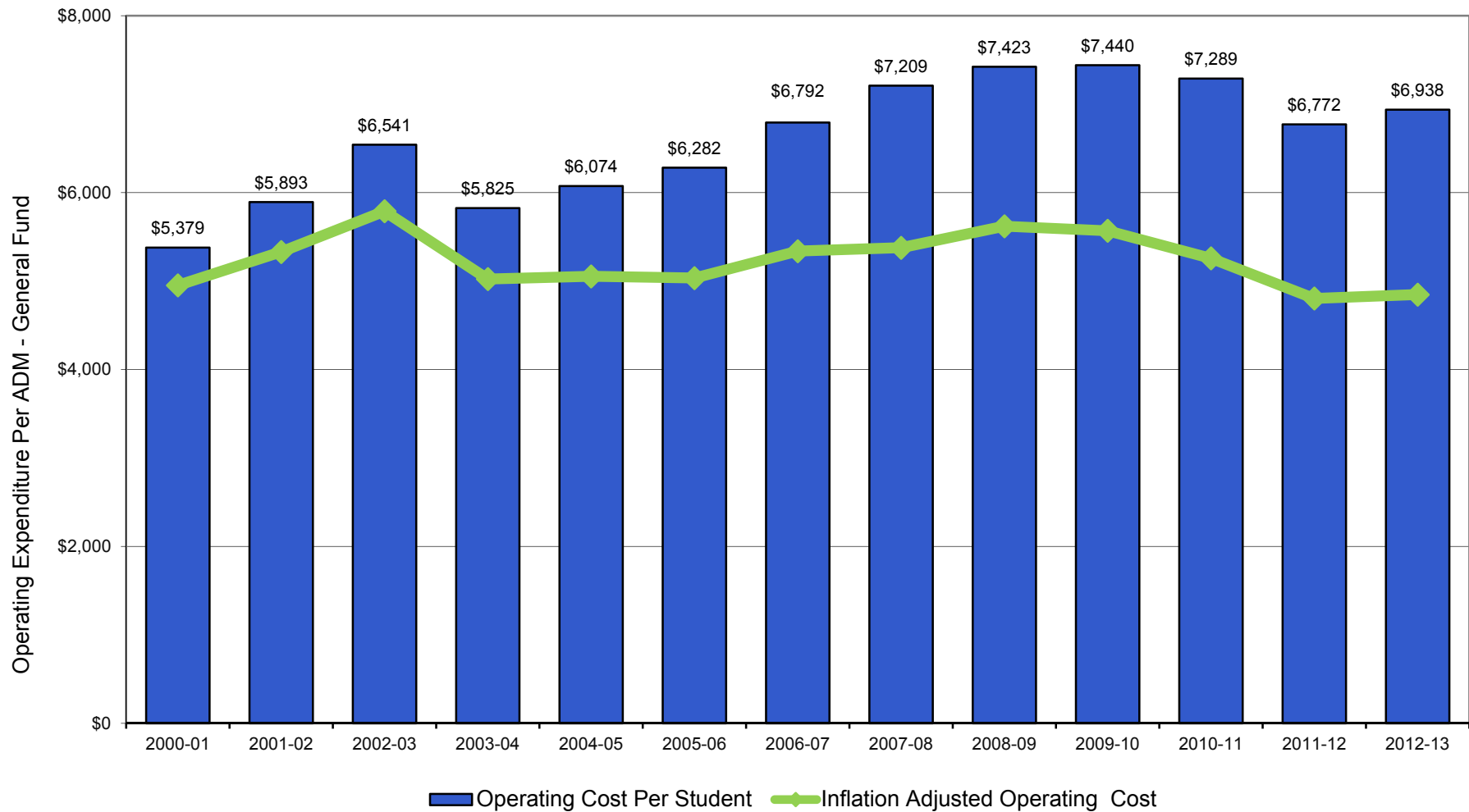


Aggregate View of the Revenue Stream

SB1 Tier I State Aid	\$	75,841,128		
SB1 Tier II State Aid from 6 "Golden" Pennies	\$	7,533,926		
Additional State Aid for Tax Reduction (ASATR)	\$	820,972		
Recapture (Reduction to ASATR 14-15)	\$	(166,522)		
Staff Allotment (hold harmless for 06/07 conversion of TRS insurance pass-through to salary \$500/\$250)	\$	713,250		
Texas School for the Deaf + Blind Tuition Charges	\$	(65,427)		
Rider 71 TRS Employer Contribution Assistance (one time state assistance)	\$	2,351,296		
M&O REVENUE FROM STATE	\$	87,028,623		
M&O REVENUE FROM LOCAL TAXES	\$	166,144,866		
TOTAL REVENUE FROM STATE/LOCAL M&O TAXES	\$	253,173,489		
Estimated Local Revenue (interest, gate receipts, rentals, etc.)	\$	5,622,100		
Minus 2c Major Maintenance Levy (\$4,453,758 - \$1,484,586) (to be accounted for in Major Maintenance Reserve)	\$	(2,969,172)		
ESTIMATE OF 2014/2015 GENERAL FUND REVENUE	\$	255,826,417	\$	7,043.68 per pupil
Board Authorized Application of Fund Balance	\$	6,000,000	\$	165.20 per pupil
Close Payroll Liability for September Teacher Contract Employees	\$	2,000,000	\$	55.07 per pupil
ESTIMATED 2014/2015 GENERAL FUND REVENUE and OTHER SOURCES	\$	263,826,417	\$	7,263.95 per pupil



History Of LISD's Expenditure Per Average Daily Membership Adjusted For Inflation



Data Sources: TEA-AEIS reporting of "Operating Expenditures-By Function (61-64XX)-General Fund" through 2010-2011, District expenditure data and ADM for 2011-2012 and 2012-2013, and Department of Labor Consumer Price Index (CPI-U as of August annually)



What Is The History Of LISD's General Operating Budget and State Aid ?

Fiscal Year	"Adopted" General Fund Budget	Change to Budget Year to Year	Actual (Est.) General Fund State Aid	% Change to State Aid Year to Year	\$ Change in State Aid Year to Year	State Aid as % of Budget	"Actual" Property Wealth per WADA*****
97/98	\$46,350,018		\$16,998,556			36.67%	\$170,468
98/99	\$51,719,814	11.59%	\$17,937,232	5.52%	\$938,676	34.68%	\$175,355
99/00 *	\$65,817,089	27.26%	\$25,022,849	39.50%	\$7,085,617	38.02%	\$172,833
00/01	\$74,662,811	13.44%	\$25,149,590	0.51%	\$126,741	33.68%	\$183,741
01/02	\$88,778,688	18.91%	\$20,346,861	-19.10%	-\$4,802,729	22.92%	\$212,510
02/03	\$97,322,585	9.62%	\$13,390,817	-34.19%	-\$6,956,044	13.76%	\$251,481
03/04	\$104,718,488	7.60%	\$14,843,748	10.85%	\$1,452,931	14.17%	\$284,643
04/05	\$119,140,323	13.77%	\$18,986,814	27.91%	\$4,143,066	15.94%	\$274,564
05/06	\$134,986,646	13.30%	\$18,250,551	-3.88%	-\$736,263	13.52%	\$268,862
06/07 **	\$163,900,000	21.42%	\$47,351,275	159.45%	\$29,100,724	28.89%	\$279,145
07/08	\$189,323,850	15.51%	\$66,292,524	40.00%	\$18,941,249	35.02%	\$302,772
08/09 ***	\$208,922,140	10.35%	\$69,688,503	5.12%	\$3,395,979	33.36%	\$344,816
09/10 ****	\$222,576,787	6.54%	\$85,675,619	22.94%	\$15,987,116	38.49%	\$369,640
10/11	\$236,711,043	6.35%	\$105,400,735	23.02%	\$19,725,116	44.53%	\$357,560
11/12	\$224,680,826	-5.08%	\$96,216,853	-8.71%	-\$9,183,882	42.82%	\$358,787
12/13	\$237,723,645	5.81%	\$93,018,470	-3.32%	-\$3,198,383	39.13%	\$339,584
13/14 *****	\$247,399,397	4.07%	\$89,015,674	-4.30%	-\$4,002,796	35.98%	\$336,019
14/15	\$258,524,645	4.50%	\$87,028,622	-2.23%	-\$1,987,052	33.66%	\$346,363

- * State mandated \$3,000 per year teacher raise in 99/00
- ** State mandated \$2,000 teacher raise in 06/07 and conversion of \$500/\$250 health insurance supplement to salary. Also, first year of new HB1 finance system which compressed property taxes and shifted funding to state aid via new formula
- *** 2008/2009 first year LISD under Chapter 41 provisions
- **** State mandated minimum \$800 teacher raise, on top of annual step, in 09/10 (LISD adopted \$825 plus step)
- ***** Budget revenue adopted does not include \$3,897,348 of additional state aid pursuant to SB1, although those funds are included in total state aid to be received.
- ***** WADA = weighted average daily attendance (calculated on prior yr CPTD divided by final budget yr WADA)



The Proposed Budget for Fund 240 (Food Service)

The Food Service Fund (240) budget must be approved by the Board. Food Service is a self-sustaining program that generates revenues and receives state and federal reimbursement.

Appropriations:

District Labor	\$ 4,804,786
Professional & Contracted Services	\$ 8,036,147
Supplies	\$ 232,073
Fees, Dues, Other Operating	\$ 14,150
Capital Equipment	\$ -
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	\$ 13,087,156

Revenue:

Local Revenue	\$8,318,533
State Reimbursements	\$72,000
Federal Reimbursements	\$4,791,746
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	\$13,182,279



The Proposed Budget for Fund 599 (Debt Service)

The Debt Service (599) budget must be approved by the Board. The budget is developed to fund the repayment of voter approved general obligation bonds. The principal and interest on issued bonds are repaid through this fund. The debt service tax rate is set to ensure collection of the district's annual debt obligation.

Appropriations:

Bond Principal	\$	49,065,000	
Bond Interest	\$	25,107,950	
Bond Fees	\$	5,950	
	\$	<u>74,178,900</u>	*

Revenue:

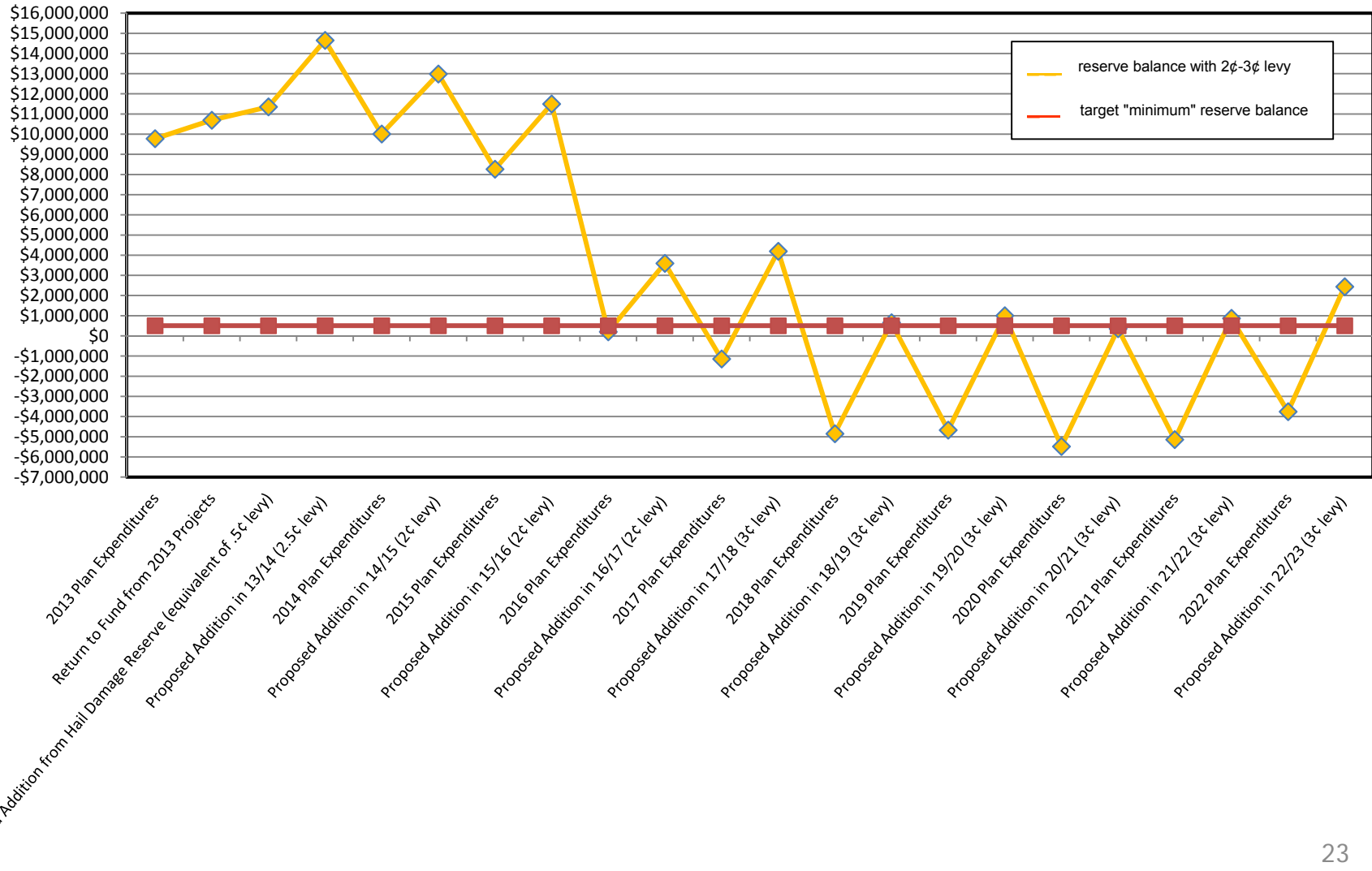
Local Revenue (I&S Levy)	\$	74,178,900
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* Includes \$73,129,450 from August debt schedule (after refunding), plus \$1,043,500 for projected interest after \$22 million sale



Major Maintenance Reserve Plan & Supporting Levy

(Projected Scenarios with 2¢ levy in 14-15, 15-16, 16-17, and 3¢ Annual Levy 17-18 and forward)





Setting the Tax Rates

The **general fund** budget is funded through local taxes, state and federal allocations, and local revenue.

The **debt service** budget is funded through local taxes and state allocations if a district qualifies. Leander ISD no longer qualifies for any state debt assistance.

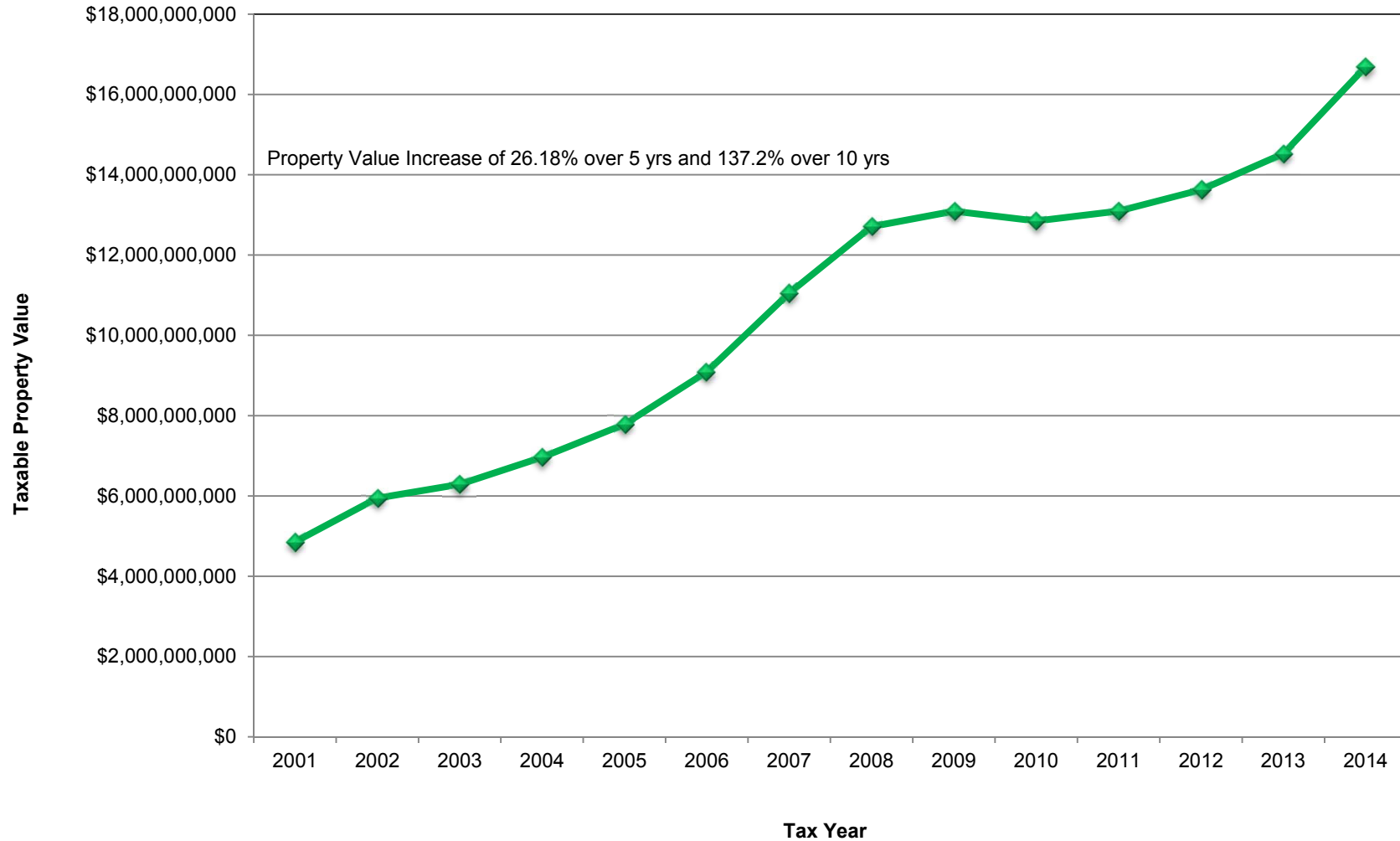
Senate Bill 1 still requires compression of the M&O tax rate for 2014/2015 to the lesser of:

- The sum of the M&O rollback rate of \$1.00 (HB1 compressed rate of \$1.50 X 66.67%), plus \$.04 (\$1.04)
- Or,
- The sum of the district's calculated M&O "effective rate", plus \$.04

The proposed general fund budget is based on a \$1.04 M&O tax rate, the maximum M&O tax rate allowed without an election. The debt service tax rate is determined by the annual debt requirement and the district's taxable property value.



Historical LISD Property Value Comptroller's Tax Division (CPTD) Values



Note: CPTD values through 2013 and certified values for 2014



Supporting 2014/2015 Tax Rate Calculations

2014/15 I&S Tax Rate Calculations	I&S Rate as Calculated for Debt Requirement \$0.46278	I&S Rate (No Change) at \$0.47187	I&S Rate at \$0.49999	I&S Rate at \$0.50000
CERTIFIED FREEZE ADJUSTED PROPERTY VALUE FROM COUNTIES	\$ 15,291,946,304	\$ 15,291,946,304	\$ 15,291,946,304	\$ 15,291,946,304
<i>Amount to be collected from frozen property values:</i>				
M&O	\$15,667,507	\$15,667,507	\$15,667,507	\$15,667,507
I&S	\$10,841,915 69.20%	\$10,777,678 68.79%	\$10,580,267 67.53%	\$10,580,267 67.53%
	\$4,825,592 30.80%	\$4,889,829 31.21%	\$5,087,240 32.47%	\$5,087,240 32.47%
Interest and Sinking	<u>2014/15 Calculation</u>	<u>2014/15 Calculation</u>	<u>2014/15 Calculation</u>	<u>2014/15 Calculation</u>
Levy Generated (I&S) Under this Scenario	\$74,178,900	\$75,604,774	\$80,016,278	\$80,017,777
- Collections from Frozen Levy	(\$4,825,592)	(\$4,889,829)	(\$5,087,240)	(\$5,087,240)
Levy needed from Non-frozen	\$69,353,308	\$70,714,945	\$74,929,038	\$74,930,537
Levy needed at 98% collection rate	\$70,768,682	\$72,158,107	\$76,458,202	\$76,459,732
14/15 I&S Rate	\$0.46278	\$0.47187	\$0.49999	\$0.50000
2013 I&S Rate	-0.47187	-0.47187	-0.47187	-0.47187
I&S Rate Change	-0.00909	\$0.00000	\$0.02812	\$0.02813
Proposed M&O Tax Rate	\$1.04000 69.20%	\$1.04000 68.79%	\$1.04000 67.53%	\$1.04000 67.53%
I&S Tax Rate	\$0.46278 30.80%	\$0.47187 31.21%	\$0.49999 32.47%	\$0.50000 32.47%
Total Tax Rate Under this Scenario	\$1.50278 100.00%	\$1.51187 100.00%	\$1.53999 100.00%	\$1.54000 100.00%
Estimated Total Yield per Penny	\$1,498,611	\$1,498,611	\$1,498,611	\$1,498,611
14/15 I&S Rate Under this Scenario	\$0.46278	\$0.47187	\$0.49999	\$0.50000
Tax Rate Needed for 14/15 Debt Requirement	\$0.46278	\$0.46278	\$0.46278	\$0.46278
Estimated 14/15 I&S Rate for Redemption/Defeasement	\$0.00000	\$0.00909	\$0.03721	\$0.03722
Estimated Funds to Redeem/Defeas Outstanding Debt	\$0	\$1,425,874	\$5,837,378	\$5,838,877
Current Debt Schedule Requirement 08-05-14	\$ 73,129,450	\$ 73,129,450	\$ 73,129,450	\$ 73,129,450
Fees	\$ 5,950	\$ 5,950	\$ 5,950	\$ 5,950
Projected 2015 Interest Payment on new sale	\$ 1,043,500	\$ 1,043,500	\$ 1,043,500	\$ 1,043,500
Amt to be Levied over Debt Requirement for 14-15 for redemption/defeasement	\$ -	\$ 1,425,874	\$ 5,837,378	\$ 5,838,877
Total I&S Levy Generated	\$ 74,178,900	\$ 75,604,774	\$ 80,016,278	\$ 80,017,777



How Will the Average Taxpayer be Affected by this Budget and Proposed Tax Rates?

Estimated Effect on Average Homeowner						
			Average Value of Residence with 10% maximum increase: \$246,742.00		2014 Average Value of Residence: \$271,330.00	
M&O Tax Rate	I&S Tax Rate Scenarios	Total Tax Rate Scenarios	Annual Increase in Taxes on Average Home with Maximum Increase in PV of 10% (existing homeowner)	Monthly Increase in Taxes on Average Home with Maximum Increase in PV of 10% (existing homeowner)	Annual Increase in Taxes on Average Priced Home (2014 average value)	Monthly Increase in Taxes on Average Priced Home (2014 average value)
1.04	0.46278	1.50278	\$316.70	\$26.39	\$686.21	\$57.18
1.04	0.47187	1.51187	\$339.13	\$28.26	\$710.87	\$59.24
1.04	0.49999	1.53999	\$408.51	\$34.04	\$787.17	\$65.60
1.04	0.50000	1.54000	\$408.54	\$34.04	\$787.20	\$65.60

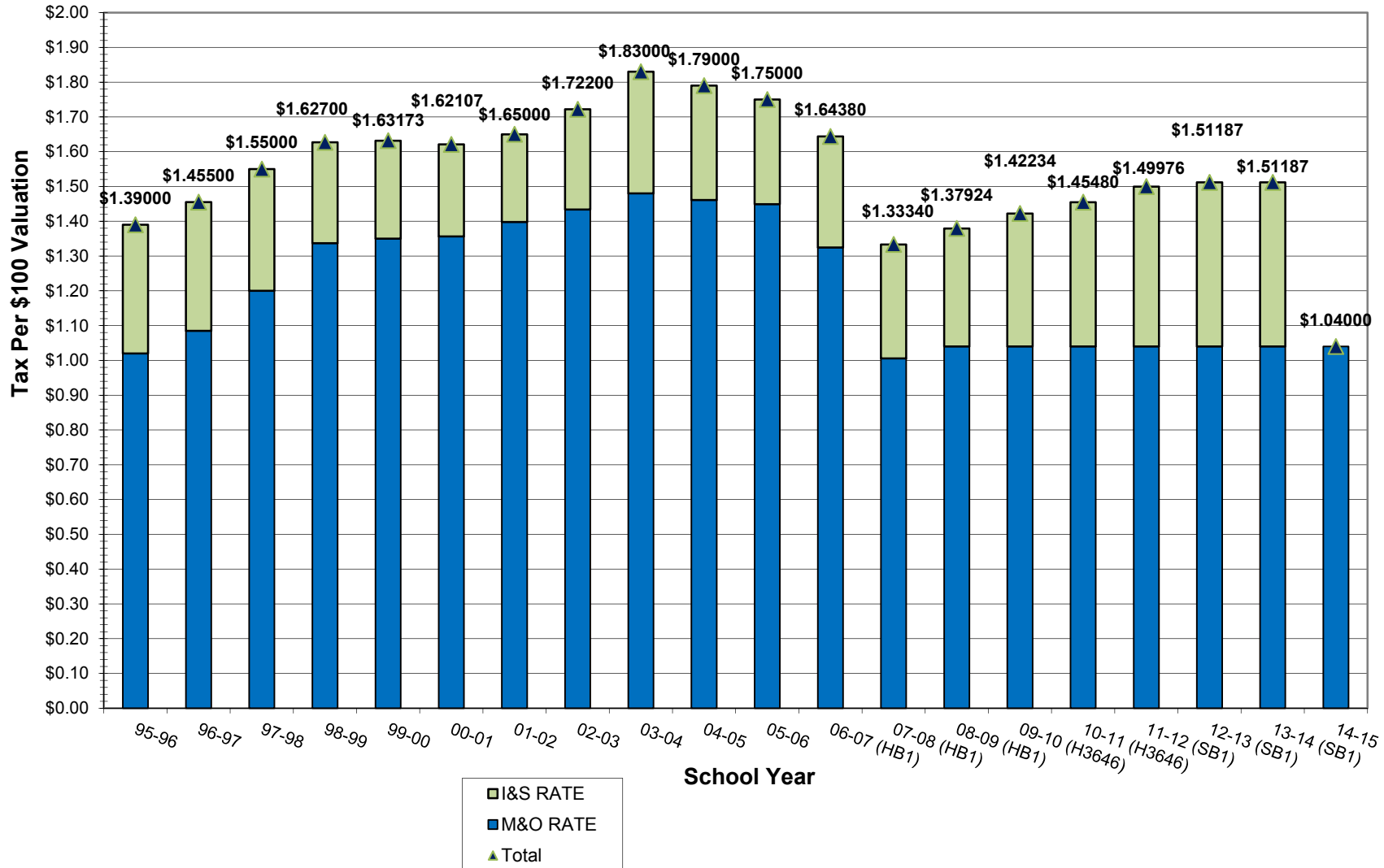


Comparison of Proposed Tax Rates of Surrounding School Districts

	Austin ISD	Eanes ISD	Georgetown ISD	Lake Travis ISD	Leander ISD	Liberty Hill ISD	Pflugerville ISD	Round Rock ISD
Maintenance & Operating (M&O):								
Adopted 2013/2014 M&O Rate	\$1.07900	\$1.04000	\$1.08000	\$1.04000	\$1.04000	\$1.04000	\$1.04000	\$1.04000
Proposed 2014/2015 M&O Rate	\$1.07900	\$1.04000	\$1.08000	\$1.04000	\$1.04000	\$1.04000	\$1.04000	\$1.04000
Debt Service (I&S):								
Adopted 2013/2014 I&S Rate	\$0.16300	\$0.17250	\$0.31800	\$0.36750	\$0.47187	\$0.50000	\$0.50000	0.34000
Proposed 2014/2015 I&S Rate	\$0.14300	\$0.17250	\$0.31800	\$0.36750	\$0.50000	\$0.50000	\$0.50000	\$0.32432
Total Tax Rate:								
Adopted 2013/2014 Total Tax Rate	\$1.24200	\$1.21250	\$1.39800	\$1.40750	\$1.51187	\$1.54000	\$1.54000	\$1.38000
Proposed 2014/2015 Total Tax Rate	\$1.22200	\$1.21250	\$1.39800	\$1.40750	\$1.04000	\$1.54000	\$1.54000	\$1.36432
Proposed Change to Total Tax Rate	-\$0.02000	\$0.00000	\$0.00000	\$0.00000		\$0.00000	\$0.00000	-\$0.01568
Proposed % Change to Total Tax Rate	-1.61%	0.00%	0.00%	0.00%		0.00%	0.00%	-1.14%



How Does the Proposed Tax Rate Compare With LISD's Historical Tax Rates?

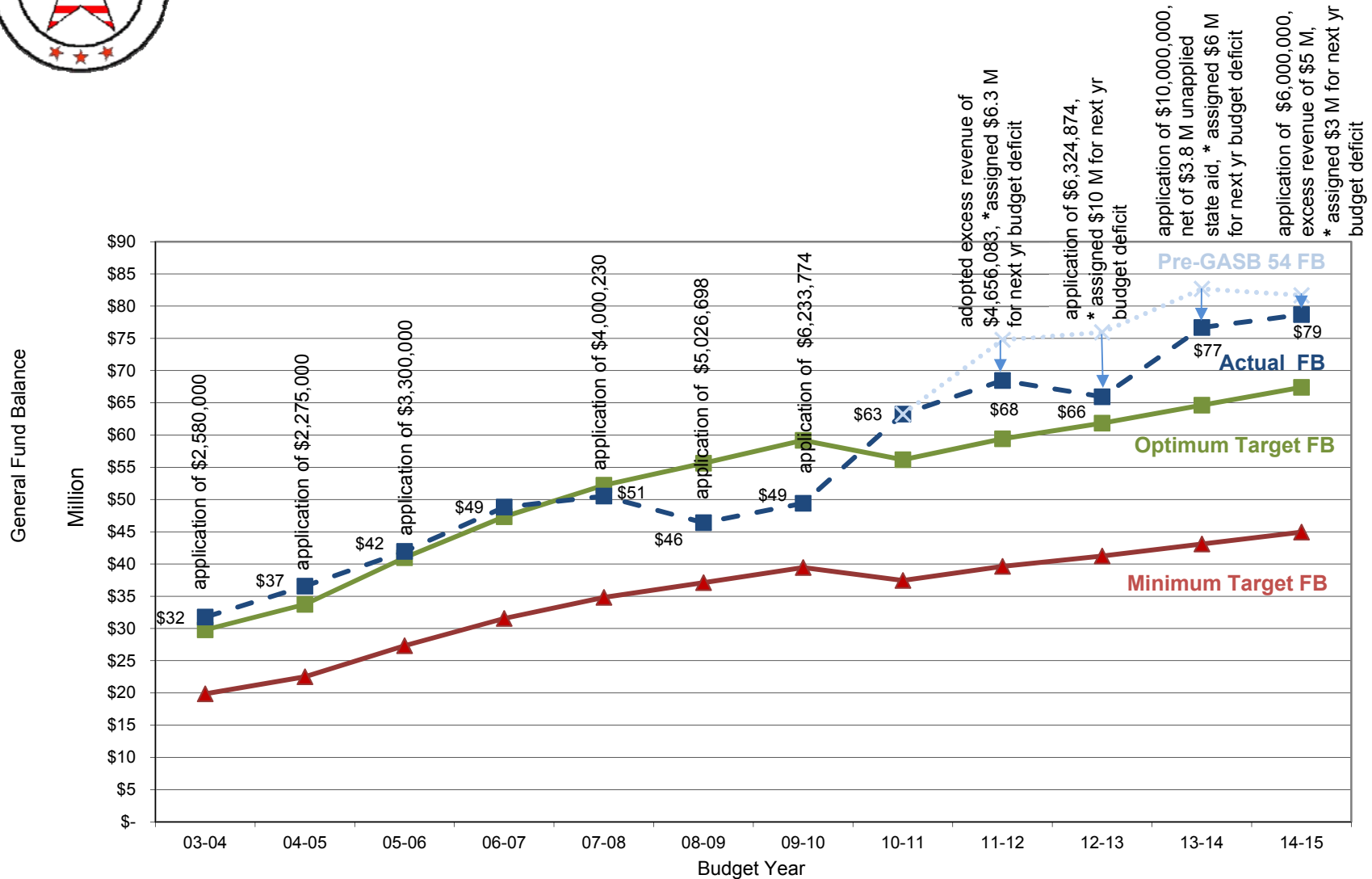


**14/15
I&S Tax
Rate
Discussions:**

- \$0.46278
- \$0.47187
- \$0.49999
- \$0.50000



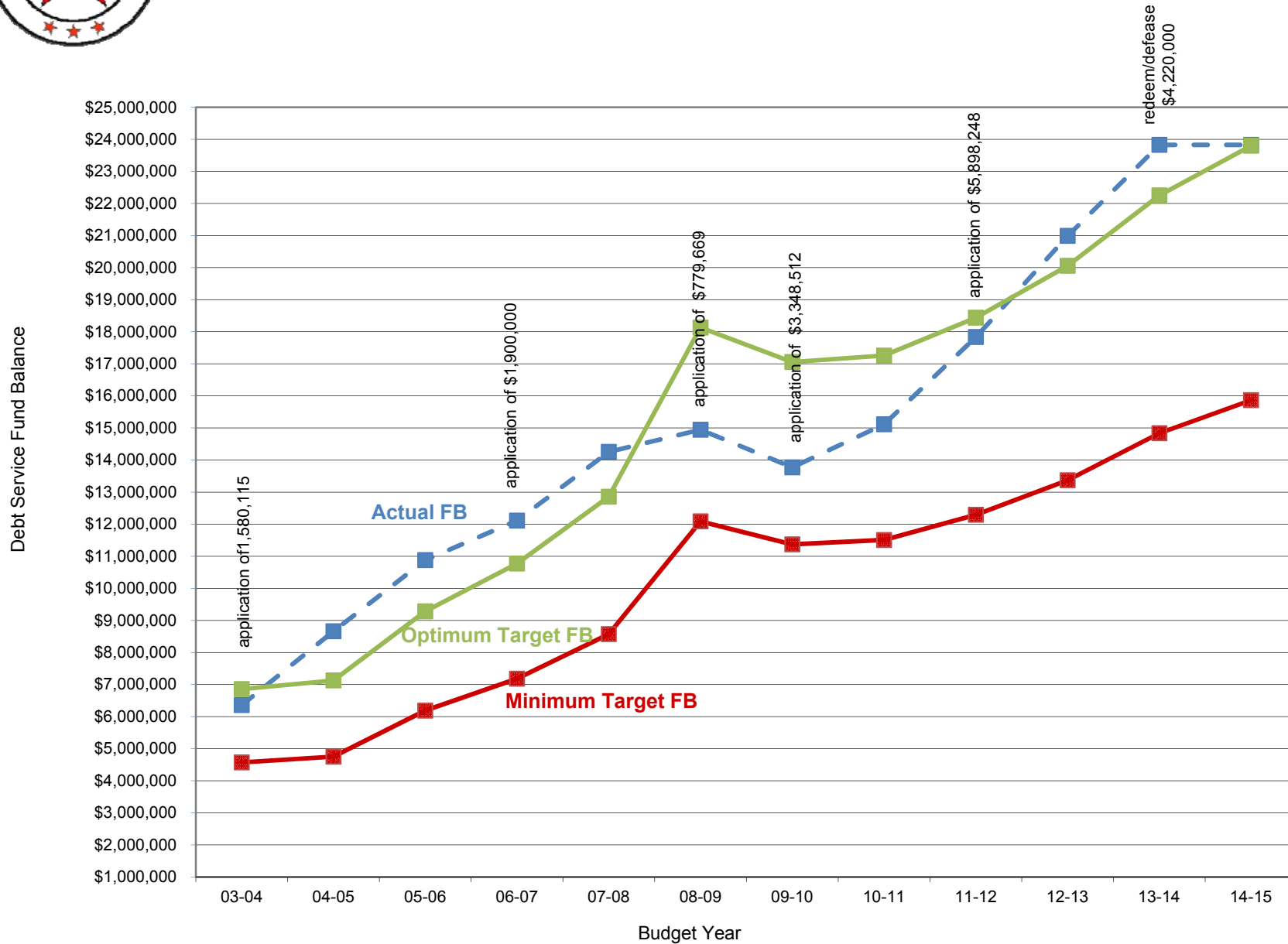
Unreserved General Fund Balance History Actual as Compared to Board Targets



* Beginning in 2011, fund balance classifications were modified to align with the categories contained in GASB Statement No. 54. A planned appropriation of fund balance to cover the subsequent year's budget deficit was considered an assignment of fund balance. Prior to 2011, the "unassigned" fund balance included any amounts to be applied to the next year's budget.



Unreserved Debt Service Fund Balance History Actual as Compared to Board Targets





Proposed 2014/2015 Budget In Adoption Format

**LEANDER INDEPENDENT
SCHOOL DISTRICT**

PROPOSED 2014-2015 BUDGET

August 28, 2014



Proposed 2014/2015 Budget In Adoption Format

<u>FUND</u>		<u>REVENUE</u>		<u>APPROPRIATIONS</u>	
General Funds	\$	255,826,417	*	\$ 258,536,369	**
Food Service	\$	13,182,279		\$ 13,087,156	***
Debt Service	\$	74,178,900		\$ 74,178,900	
TOTAL BUDGET	\$	343,187,596		\$ 345,802,425	

* authorized application of \$6,000,000 from General Fund Balance, and \$2,000,000 from closure of payroll liability, will supplement the General Operating budget revenue

** adopting General Fund budget with revenue of \$5,290,048 over estimated budget

*** adopting CNS budget with revenue of \$95,123 over estimated budget



Proposed 2014/2015 Budget In Adoption Format

		PROPOSED BUDGET 2014-15
FUND 199 - GENERAL OPERATING		
TOTAL 5700 REV. - LOCAL & INTERMEDIATE		\$ 167,147,794
TOTAL 5800 REV. - STATE PROGRAM REVENUES		\$ 87,028,623
TOTAL 5900 - FEDERAL REVENUE		\$ 1,635,000
TOTAL 7900 - OTHER RESOURCES/NON-OPERATING REVENUE (SALE OF REAL AND PERSONAL PROPERTY)		\$ 15,000
GENERAL OPERATING FUND	TOTAL FUND 199	✓\$ 255,826,417
<hr/>		
FUND 240 - FOOD SERVICE		
TOTAL 5700 - REV. - LOCAL & INTERMEDIATE		\$ 8,318,533
TOTAL 5800 - STATE PROGRAM REV.		\$ 72,000
TOTAL 5900 - FEDERAL RECEIPTS		\$ 4,791,746
FOOD SERVICE FUND	TOTAL FUND 240	✓\$ 13,182,279
<hr/>		
FUND 599 - DEBT SERVICE FUND		
TOTAL 5700 REV. - LOCAL & INTERMEDIATE		\$ 74,178,900
TOTAL 5800 - STATE PROGRAM REV.		\$ -
DEBT SERVICE FUND	TOTAL FUND 599	✓\$ 74,178,900
<hr/>		
SUMMARY OF REVENUE		
GENERAL FUND		✓\$ 255,826,417
FOOD SERVICE		✓\$ 13,182,279
DEBT SERVICE FUND		✓\$ 74,178,900
TOTAL - SUMMARY OF REVENUE		✓\$ 343,187,596
<hr/>		



Proposed 2014/2015 Budget In Adoption Format

	PROPOSED BUDGET 2014-15
GENERAL FUNDS	
FUND 199 - GENERAL OPERATING	
FUNCTION 11 - INSTRUCTION	\$158,238,039
FUNCTION 12 - INSTRUCTIONAL RESOURCES AND MEDIA SERVICES	\$ 3,007,537
FUNCTION 13 - CURRICULUM AND STAFF DEVELOPMENT	\$ 7,296,216
FUNCTION 21 - INSTRUCTIONAL LEADERSHIP	\$ 2,292,997
FUNCTION 23 - SCHOOL LEADERSHIP	\$ 15,419,495
FUNCTION 31 - GUIDANCE, COUNSELING AND EVALUATION SERVICES	\$ 10,222,898
FUNCTION 32 - SOCIAL WORK/TRUANCY	\$ 738,870
FUNCTION 33 - HEALTH SERVICES	\$ 2,087,416
FUNCTION 34 - TRANSPORTATION	\$ 8,208,644
FUNCTION 35 - FOOD SERVICE	\$ -
FUNCTION 36 - COCURRICULAR/EXTRACURRICULAR ACTIVITIES	\$ 7,489,770
FUNCTION 41 - GENERAL ADMINISTRATION	\$ 5,571,423
FUNCTION 51 - PLANT MAINTENANCE/OPERATIONS	\$ 26,516,514
FUNCTION 52- SECURITY AND MONITORING	\$ 1,474,639
FUNCTION 53 - DATA PROCESSING	\$ 6,244,936
FUNCTION 61 - COMMUNITY SERVICES	\$ 1,720,567
FUNCTION 71 - DEBT SERVICE	\$ -
FUNCTION 81 - FACILITY CONSTRUCTION	\$ -
FUNCTION 95 - JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM	\$ 330,625
FUNCTION 99 -INTERGOVERNMENTAL CHARGES (TAX APPRAISAL & COLLECTIONS)	\$ 1,675,783
GENERAL OPERATING FUND	\$ 258,536,369
TOTAL FUND 199	\$ 258,536,369
<hr/>	
FUND 240 - FOOD SERVICE	
FUNCTION 35 - FOOD SERVICE	\$ 13,087,156
FOOD SERVICE FUND	\$ 13,087,156
TOTAL FUND 240	\$ 13,087,156
<hr/>	
FUND 599 - DEBT SERVICE FUND	
FUNCTION 71 - DEBT SERVICE	\$74,178,900
DEBT SERVICE FUND	\$ 74,178,900
TOTAL FUND 599	\$ 74,178,900
<hr/>	
SUMMARY OF APPROPRIATIONS	
GENERAL FUNDS	\$ 258,536,369
FOOD SERVICE	\$ 13,087,156
DEBT SERVICE FUND	\$ 74,178,900
TOTAL - SUMMARY OF APPROPRIATIONS	\$ 345,802,425



Comparison of the Proposed 2014/2015 Budgets To The Estimated Final 2013/2014 Budgets – All Adopted Funds (TEC 44.0041)

Function	Description	Estimated 2013/2014 Final Budget	Estimated 2013/2014 Final Budget Per Student	Proposed 2014/2015 Budget	Proposed 2014/2015 Budget Per Student
11	Instruction	\$ 151,077,023	\$ 4,305.44	\$158,238,039	\$ 4,356.77
12	Instructional Resources/Media	\$ 2,976,436	\$ 84.82	\$3,007,537	\$ 82.81
13	Curriculum/Staff Development	\$ 6,657,942	\$ 189.74	\$7,296,216	\$ 200.89
95	JJAEP (Juvenile Justice)	\$ 193,411	\$ 5.51	\$330,625	\$ 9.10
INSTRUCTION		\$ 160,904,812	\$ 4,585.51	\$ 168,872,417	\$ 4,649.57
21	Instructional Leadership	\$ 1,988,036	\$ 56.66	\$ 2,292,997	\$ 63.13
23	School Leadership	\$ 14,194,886	\$ 404.53	\$ 15,419,495	\$ 424.55
31	Guidance & Counseling	\$ 10,308,114	\$ 293.76	\$ 10,222,898	\$ 281.47
32	Social Work/Truancy	\$ 1,453,988	\$ 41.44	\$ 738,870	\$ 20.34
33	Health Services	\$ 1,936,902	\$ 55.20	\$ 2,087,416	\$ 57.47
36	CoCurricular/Extracurricular	\$ 7,279,090	\$ 207.44	\$ 7,489,770	\$ 206.22
INSTRUCTIONAL SUPPORT		\$ 37,161,016	\$ 1,059.03	\$ 38,251,446	\$ 1,053.18
41	General Administration	\$ 4,848,471	\$ 138.17	\$ 5,571,423	\$ 153.40
CENTRAL ADMINISTRATION		\$ 4,848,471	\$ 138.17	\$ 5,571,423	\$ 153.40
34	Student Transportation	\$ 10,334,087	\$ 294.50	\$ 8,208,644	\$ 226.01
35	Food Services (Fund 240)	\$ 12,301,263	\$ 350.57	\$ 13,087,156	\$ 360.33
51	Plant Maintenance & Operations	\$ 25,368,315	\$ 722.95	\$ 26,516,514	\$ 730.08
52	Security & Monitoring	\$ 1,132,286	\$ 32.27	\$ 1,474,639	\$ 40.60
53	Data Processing Services	\$ 6,768,163	\$ 192.88	\$ 6,244,936	\$ 171.94
DISTRICT OPERATIONS		\$ 55,904,114	\$ 1,593.17	\$ 55,531,889	\$ 1,528.96
71	Debt Service (Fund 599)	\$ 69,305,824	\$ 1,975.10	\$ 73,135,400	\$ 2,013.64
DEBT SERVICE		\$ 69,305,824	\$ 1,975.10	\$ 73,135,400	\$ 2,013.64
61	Community Services	\$ 1,732,772	\$ 49.38	\$ 1,720,567	\$ 47.37
91	Chapter 41	\$ 175,932	\$ 5.01	\$ -	\$ -
81	Facility Construction	\$ -	\$ -	\$ -	\$ -
99	Other Governmental Charges	\$ 1,419,240	\$ 40.45	\$ 1,675,783	\$ 46.14
	Transfers Out	\$ 3,890,390	\$ 110.87	\$ -	\$ -
OTHER FUNCTIONS		\$ 7,218,334	\$ 205.71	\$ 3,396,350	\$ 93.51
TOTAL		\$ 335,342,571	\$ 9,556.69	\$ 344,758,925	\$ 9,492.26
					\$ -

Notes:

The estimated 13/14 expenditures are based on actual data as of 8/12/14, projected to 8/31/14.
 The 13/14 per student cost is calculated using the actual average daily membership (ADM) of: 35,089.82
 The 14/15 per student cost is calculated using projected average daily membership (ADM) of: 36,320
 The 13/14 est. final transportation budget includes 11 bus purchases; there are no bus purchases in the 14/15 proposed budget.
 The 14/15 proposed budget includes \$533K for new/replacement Technology equipment.
 The 13/14 Function 51 expenditures include an amendment for the approved 2013 Major Maintenance Plan projects.
 The 14/15 Chapter 41 payment, estimated at \$166,000 will be taken as a reduction to 14/15 state aid.
 The 13/14 Function 71 expenditure includes \$4,000,000 and \$220,059.32 (TCPSF distributed funds) in excess of minimum debt requirement.



BOARD DISCUSSION

FOLLOWED BY

PUBLIC COMMENTS