



2019-20 Budget and Tax Rate Presentation

Dr. Jeremy Glenn, Superintendent

Dobie Williams, Assistant Superintendent for Finance and Operations

GISD School Board

08/26/19



General Operating Budget

Fund 199



General Operating Revenues

DESCRIPTION	2018-2019	2019-2020	Difference	%	% of Total
	Adopted	Proposed		Difference	Revenue
5711 - CURRENT YEAR TAXES	58,889,855	60,543,691	1,653,836	2.36%	86.96%
5712 - PRIOR YEAR TAXES	550,000	550,000	0	0.00%	0.79%
5719 - PENALTIES & INTEREST	500,000	500,000	0	0.00%	0.72%
5736 - SUMMER SCHOOL TUITION	7,000	7,000	0	0.00%	0.01%
5737- DRIVERS ED TUITION	40,000	40,000	0	0.00%	0.06%
5738 - HIGH SCHOOL PARKING FEES	15,000	15,000	0	0.00%	0.02%
5742 - INTEREST INCOME	460,000	900,000	440,000	0.63%	1.29%
5743 - BLDG/FIELD USE FEE	25,000	25,000	0	0.00%	0.04%
5744 - GIFTS AND BEQUESTS	0	0	0	0.00%	0.00%
5749 - MISC. LOCAL REVENUE	180,000	180,000	0	0.00%	0.26%
5751 - FOOD SERVICE INDIRECT REV	0	0	0	0.00%	0.00%
5752 - ATHLETIC RECEIPTS	150,000	150,000	0	0.00%	0.22%
5753 - COMMUNITY ED RECEIPTS	0	0	0	0.00%	0.00%
5755 - OTHER ENTERPRISING INCOME	0	0	0	0.00%	0.00%
5811 - PER CAPITA REVENUE	2,955,510	1,681,964	(1,273,546)	-1.81%	2.42%
5812 - FOUNDATION REVENUE	3,086,527	1,211,606	(1,874,921)	-2.67%	1.74%
5820 - PRE K FUNDING	15,000	0	(15,000)	-0.02%	0.00%
5831 - TRS ON-BEHALF PAYMENTS	2,484,733	2,963,803	479,070	0.68%	4.26%
5929 - FEDERAL INDIRECT REVENUE	50,000	50,000	0	0.00%	0.07%
5931 - MEDICAID REVENUE	700,000	700,000	0	0.00%	1.01%
5932 - MAC REVENUE	25,000	25,000	0	0.00%	0.04%
5948 - JROTC REVENUE	70,000	77,000	7,000	0.01%	0.11%
TOTALS	70,203,625	69,620,064	(583,561)		100.00%



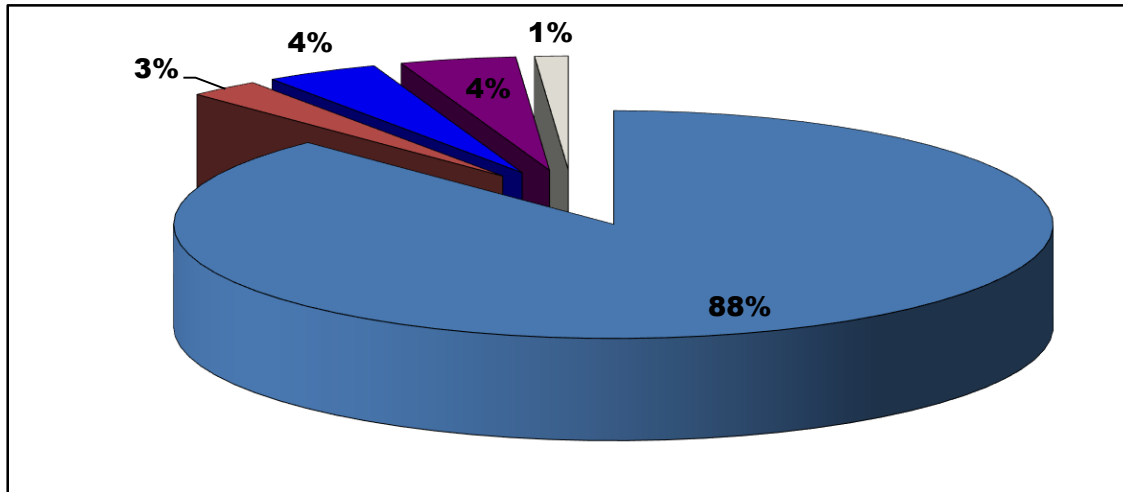
General Operating Expenditures by Function

Function	2018-19 Adopted Budget	2019-20 Proposed	Increase/ Decrease)	% of Budget	% of Budget Net Recapture	% Increase
11 INSTRUCTION	35,671,193	40,380,234	4,709,041	58.0%	58.9%	13.2%
12 INSTRUCTIONAL RESOURCES & MEDIA	764,966	801,478	36,512	1.2%	1.2%	4.8%
13 CURRICULUM & STAFF DEVELOPMENT	893,363	955,924	62,561	1.4%	1.4%	7.0%
21 INSTRUCTIONAL LEADERSHIP	662,075	710,809	48,734	1.0%	1.0%	7.4%
23 SCHOOL LEADERSHIP	3,528,081	4,009,305	481,224	5.8%	5.8%	13.6%
31 GUIDANCE/COUNSELING	2,693,991	2,909,507	215,516	4.2%	4.2%	8.0%
32 SOCIAL WORK SVCS	64,700	38,455	(26,245)	0.1%	0.1%	-40.6%
33 HEALTH SERVICES	391,836	463,227	71,391	0.7%	0.7%	18.2%
34 TRANSPORTATION	3,106,140	3,561,481	455,341	5.1%	5.2%	14.7%
35 FOOD SERVICE	0	0	0	0.0%	0.0%	0.0%
36 CO-CURRICULAR/EXTRACURRICULAR	2,000,724	2,073,115	72,391	3.0%	3.0%	3.6%
41 GENERAL ADMINISTRATION	2,283,432	2,521,113	237,681	3.6%	3.7%	10.4%
51 PLANT MAINTENANCE	5,836,860	6,139,545	302,685	8.8%	8.9%	5.2%
52 SECURITY & MONITORING SERVICES	815,817	1,136,238	320,421	1.6%	1.7%	39.3%
53 DATA PROCESSING	1,315,734	1,485,363	169,629	2.1%	2.2%	12.9%
61 COMMUNITY EDUCATION	78,832	91,658	12,826	0.1%	0.1%	16.3%
71 DEBT SERVICE	0	0	0	0.0%	0.0%	0.0%
81 FACILITIES CONSTRUCTION & ACQUISITION	0	0	0	0.0%	0.0%	0.0%
91 CONTRACTED SVCS BETWEEN PUBLIC SCHOOLS	9,535,423	1,006,186	(8,529,237)	1.4%	0.0%	0.0%
93 PAYMENTS TO FISCAL AGENT / SHARED SERV	0	0	0	0.0%	0.0%	#DIV/0!
99 OTHER INTERGOVERNMENTAL CHARGES	1,000,000	1,336,426	336,426	1.9%	1.9%	33.6%
	70,643,167	69,620,064	(1,023,103)	100.0%	100.0%	-1.4%






General Operating Expenditures by Object

Object	2018-19 Adopted Budget	2019-20 Proposed	Increase/ (Decrease)	% of Budget	% of Budget Net Recapture	% Increase
6100 - Salaries & Benefits	49,183,692	55,614,530	6,430,838	79.9%	81.1%	13.1%
6200 - Contracted Services	16,475,871	8,064,516	(8,411,355)	11.6%	10.3%	-51.1%
6300 - Supplies & Materials	2,741,339	3,087,916	346,577	4.4%	4.5%	12.6%
6400 - Other Operating	1,331,635	1,605,078	273,443	2.3%	2.3%	20.5%
6500 - Debt Service	0	0	0	0.0%	0.0%	0.0%
6600 - Captial Outlay	910,630	1,248,024	337,394	1.8%	1.8%	37.1%
	70,643,167	69,620,064	(1,023,103)	100.0%	100.0%	-1.4%

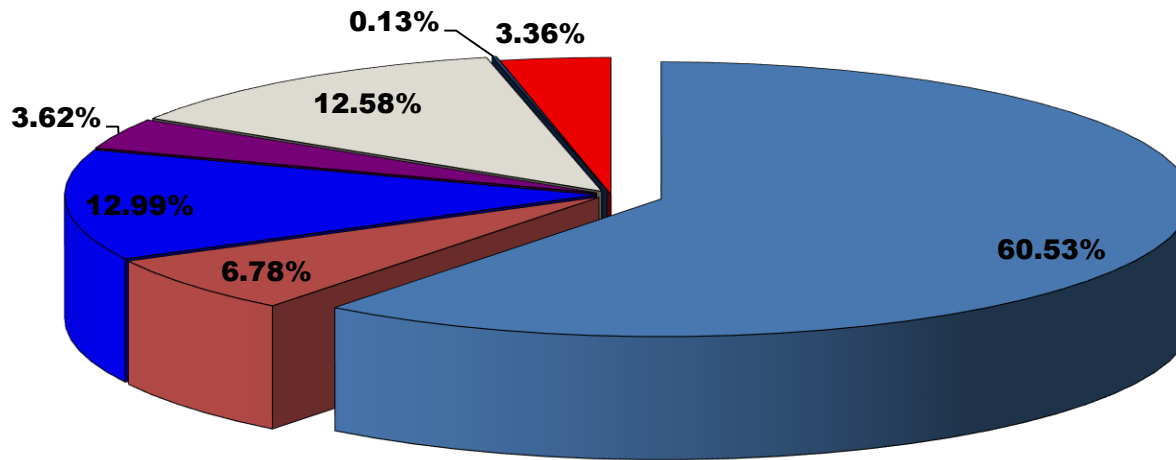
General Operating Revenue and Sources










Total Revenues \$69,620,064

	Local Tax Revenue
	\$61,093,691
	Misc Local Revenue
	\$1,817,000
	State Revenue
	\$2,893,570
	TRS On Behalf Revenue
	\$2,963,803
	Federal Revenue
	\$852,000

General Operating Expenditures and Category



Total Expenditures \$69,620,064

	Instruction and Instructional-Related	\$42,137,636
	Instructional and School Leadership	\$4,720,114
	Support Services - Student	\$9,045,785
	Administrative Support Services	\$2,521,113
	Support Services - Non-Student Based	\$8,761,146
	Ancillary Services	\$91,658
	Intergovernmental Charges	\$2,342,612

- GO Revenue projected on certified property value estimate: \$69,620,064
- GO Proposed Expenditures: \$69,620,064
- A Balanced General Operating Budget and a decrease in overall budget from the prior year
- GO projected fund balance of \$22,980,998 at 8/31/20
- Includes the addition of approximately 40 new staff
- Includes the addition of a new Safety and Security Director and 6 new campus security positions in addition to the 3 - SROs contracted through the Hood County Precinct 4 Constable's office.
- Includes \$4,000 increase for teachers with 6 or more year's experience
- Includes \$2,200 increase for teachers with 5 or less year's experience

General Operating Budget Highlights

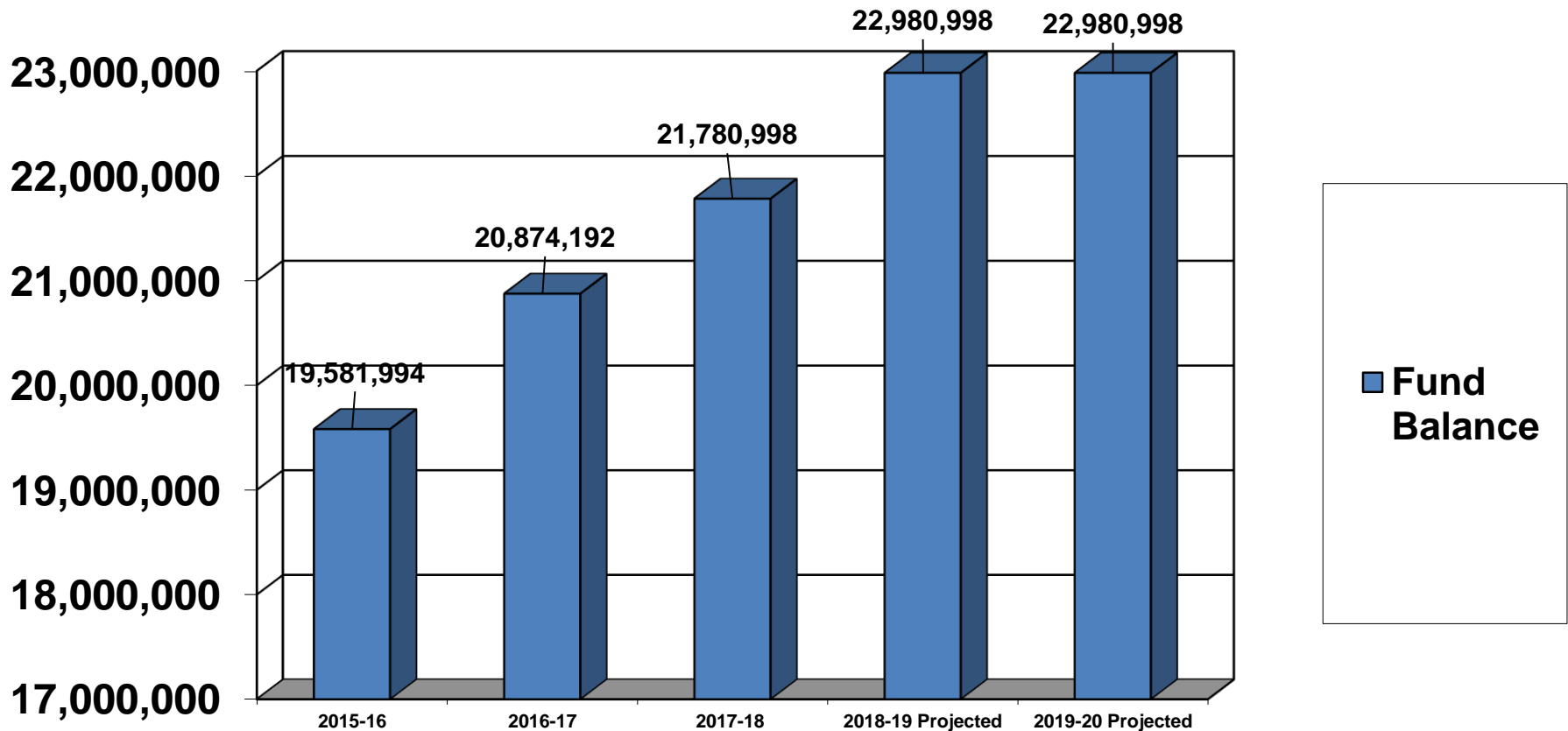
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- Includes a 3% increase for others plus \$1,000, not to exceed \$3,500 total
- Raises bus driver starting wage to \$14/hr
- Raises bus attendant starting wage to \$10.50/hr
- Raises child nutrition worker starting wage to \$12/hr
- Includes an increase of \$28 per month (\$336 annually) in health insurance benefit for all full time employees
- Includes 5 new buses at a cost of \$550,000
- Includes recapture of \$1,006,186, a decrease of \$7,617,549 from the prior year



General Operating Fund Balance





Debt Service Budget

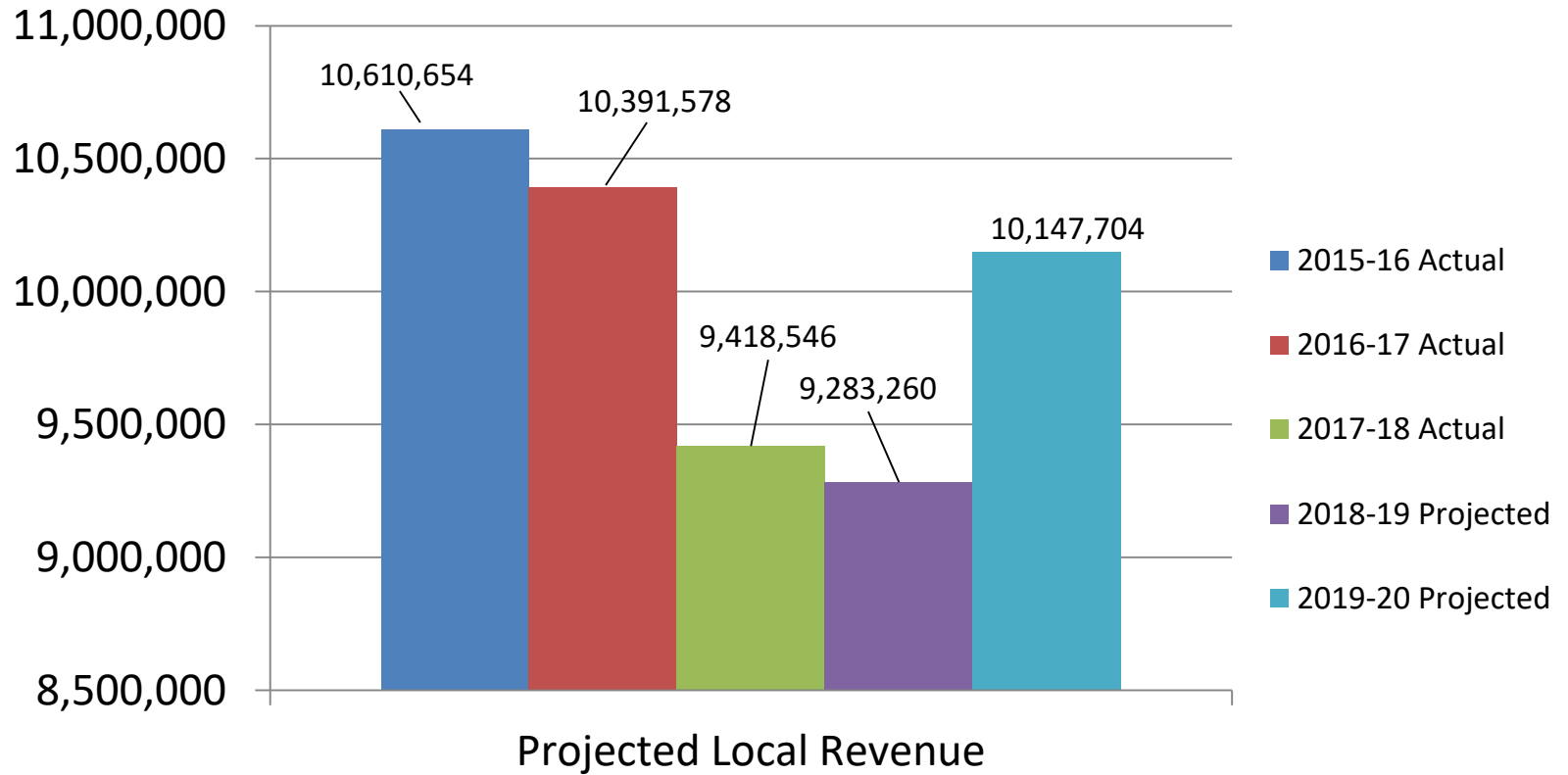
Fund 599

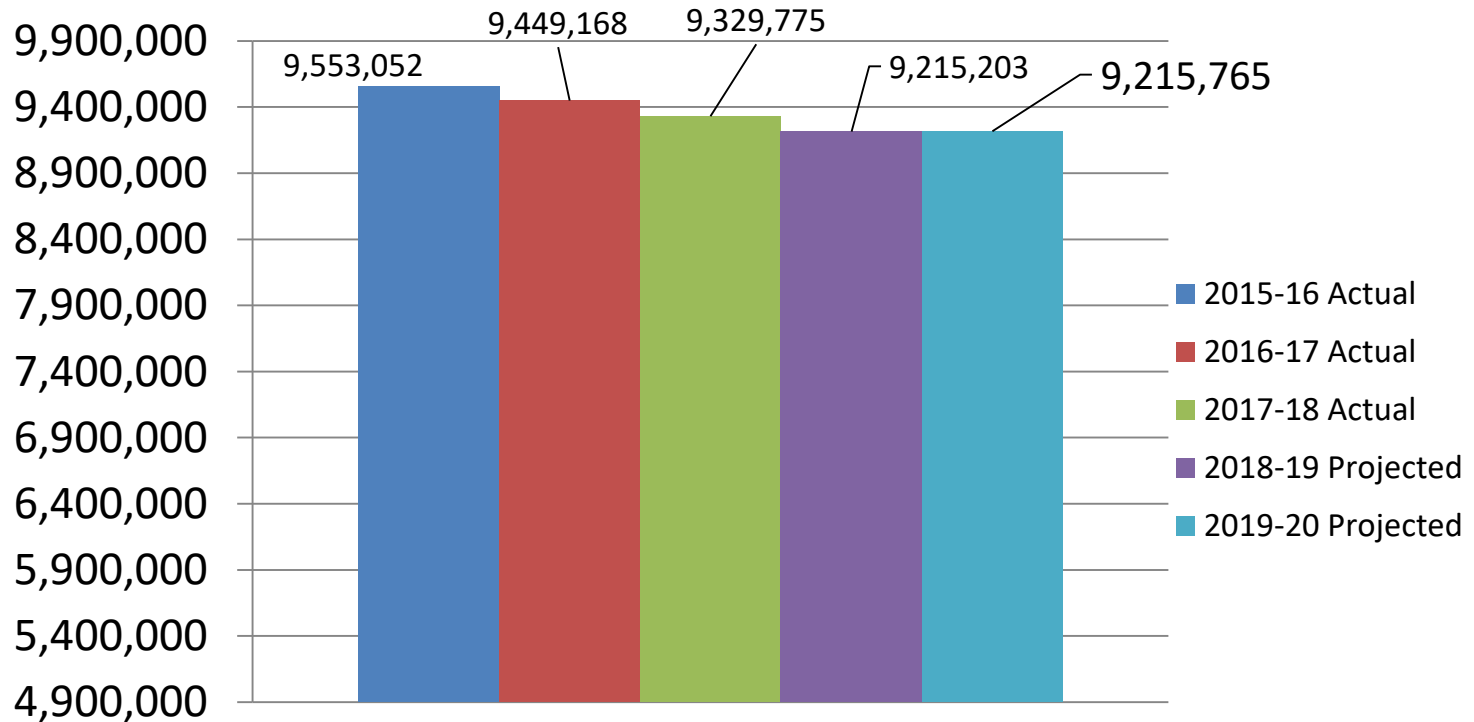


Debt Service

Revenue and Expenditures

8/31/19 FUND BALANCE (Projected)						3,190,287
REVENUE						
		5711 TAXES, CURRENT			9,674,507	
		5712 TAXES, PRIOR YEARS			75,000	
		5719 PENALTIES & INTEREST			65,000	
		5742 INTEREST INCOME			167,500	
		5800 I&S HOLD HARMLESS REVENUE			165,697	
				TOTAL REVENUE		10,147,704
EXPENDITURES						
		FUNCTION 71				
		6511 BOND PRINCIPAL			2,198,250	
		6521 BOND INTEREST			6,983,974	
		6599 OTHER DEBT FEES			5,000	
		CLEBURNE ISD PYMT			28,541	
				TOTAL EXPENDITURE		9,215,765
NET EFFECT TO FUND BALANCE 8/31/2020						931,939
PROJECTED FUND BALANCE 8/31/2020						4,122,226





- Proposed tax rate for Debt Service is \$0.155 (Same as last year's rate)
- The Debt Service budget will produce a surplus of \$931,939 at the proposed rate of \$0.155 making projected fund balance \$4,122,226 at 8/31/20
- Debt Service surplus and fund balance can be used to reduce overall debt of the district, reducing interest paid over the long term



Fiscal Year 2019/20 Pro Forma Interest & Sinking Fund Budget and Potential “Prepayment Plan”

- As depicted in the table below, assuming both a 15.5 cent and 14.5 cent I&S tax rate during FY 2019/20, GISD may either “prepay” \$950,000 or \$410,000 of its Series 2014 Bonds and reduce its future interest cost by \$760,000 or \$432,000, respectively.

Pro Forma FY 2019/20 Interest & Sinking Fund Budget			
Description	Scenario 1: 15.5 Cent I&S Tax Rate	Scenario 2: 14.5 Cent I&S Tax Rate	Difference
Projected I&S Tax Collections: ^(A)	\$ 8,134,267	\$ 7,609,476	\$ 524,791
Projected I&S Frozen Tax Collections: ^(B)	1,702,677	1,607,112	95,565
Projected State Funding Assistance – ASAHE:	165,697	165,697	---
Delinquent Tax Collections	75,000	75,000	---
Penalties & Interest	65,000	65,000	---
Interest Earnings	167,500	167,500	---
Total Revenues	\$ 10,310,141	\$ 9,689,785	\$ 620,356
Scheduled Bond Payments (Including Prepayment)	\$ 10,274,724	\$ 9,653,724	\$ 621,000
Estimated Expenses	33,541	33,541	---
Total Expenditures	\$ 10,308,265	\$ 9,687,265	\$ 621,000
Dollar Amount of Series 2014 Bonds to be “Prepaid”	\$ 950,000	\$ 410,000	\$ 540,000
Estimated Interest Cost Savings	\$ 760,000	\$ 328,000	\$ 432,000

^(A) Assumes a 2019/20 Taxable Assessed Valuation (net of frozen values) of \$5,300,923,718 and a tax collection percentage of 99.0%.

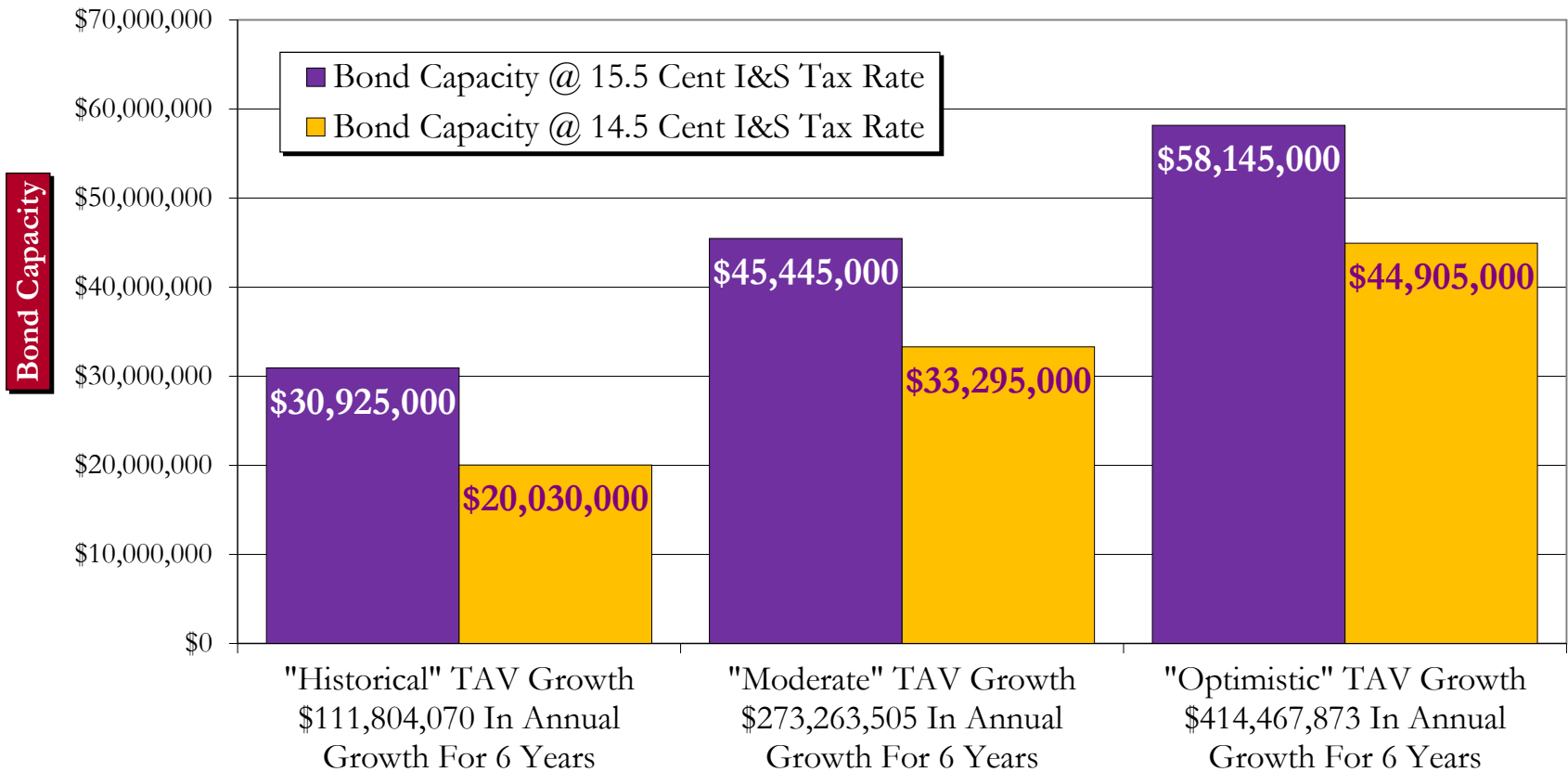
^(B) Assumes a total frozen tax levy of \$12,482,968, an Interest & Sinking Fund tax rate of \$0.155 or \$0.145 (as the case may be), a Maintenance and Operations tax rate of \$0.970 and a tax collection percentage of 99.0%.



Preliminary Bond Capacity Analysis

- The following demonstrates the District's projected bond capacity based upon the scenarios presented herein.

Estimated Bond Capacity – Assuming a 15.5 Cent & 14.5 Cent I&S Tax Rate



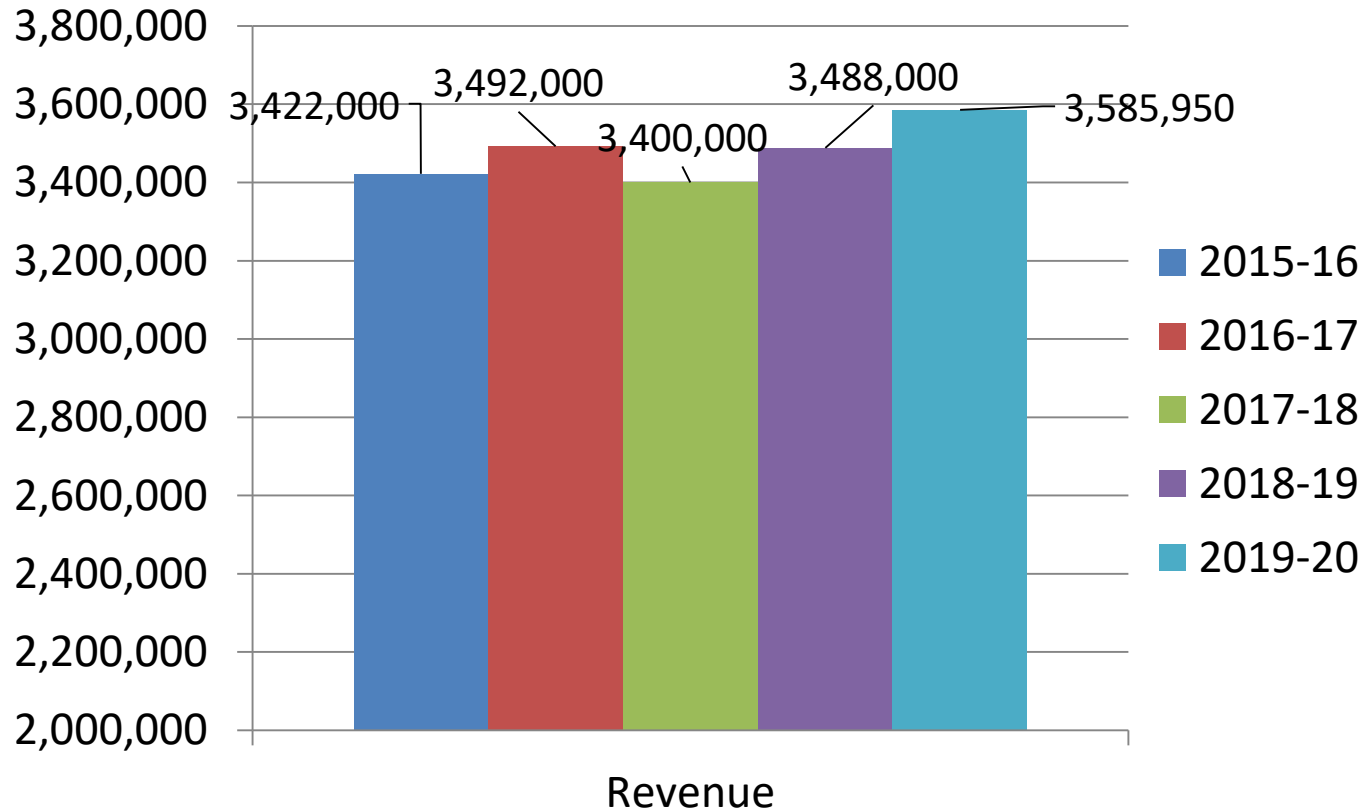
- Maintaining the current debt service tax rate at \$0.155 will insure the district has enough future bonding capacity to meet facility expansion needs due to our growing student population without the need to increase future tax rates
- Lowering the debt service tax rate by 1 cent will lower the District's bonding capacity by approximately \$13MM based on moderate TAV growth as well as lowering the amount the District can prepay on bond interest
- Lowering the debt service tax rate by 1 cent will only save the owner of a \$100,000 home \$10 per year or \$0.83 per month
- The District's M&O tax rate is already being lowered 7 cents



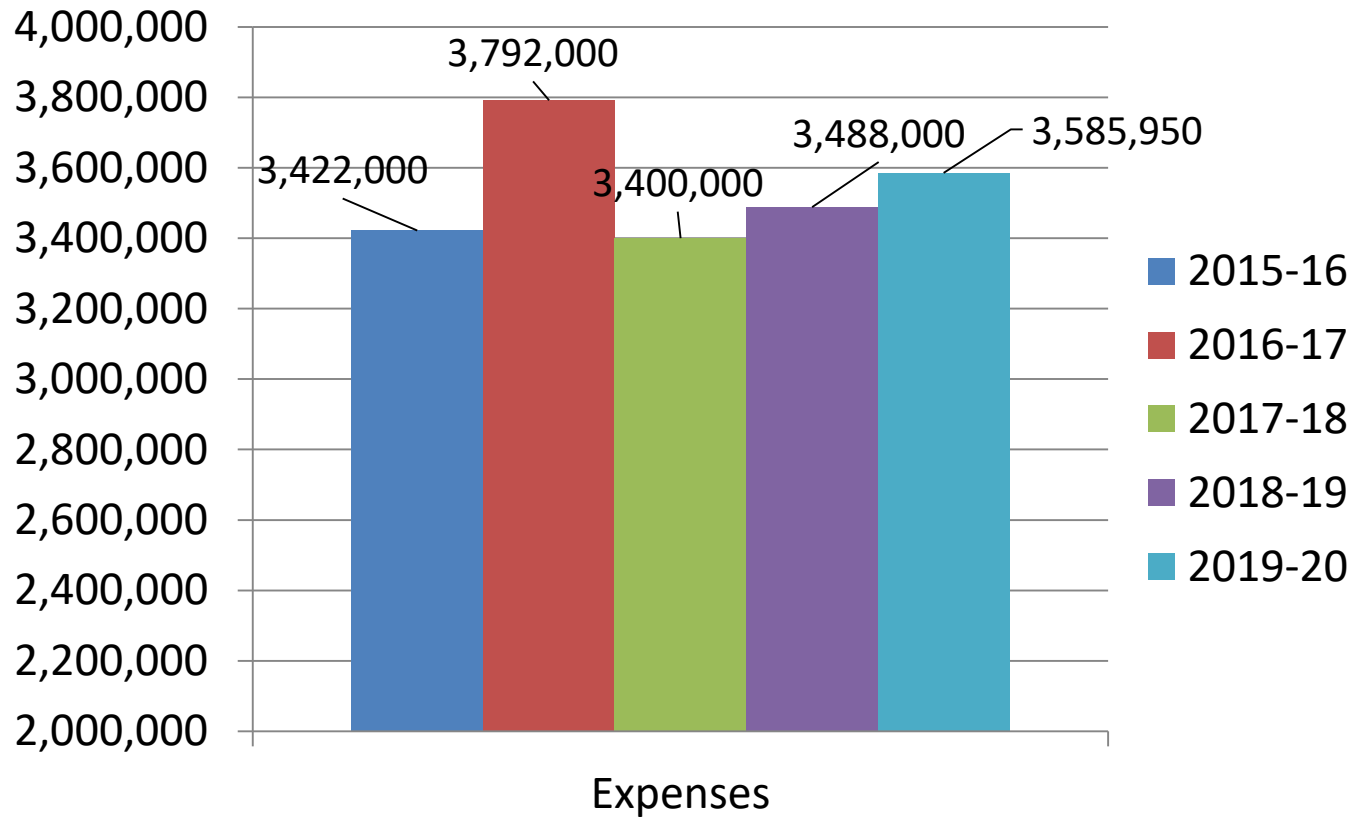
Child Nutrition Budget

Fund 240

GRANBURY ISD					
CHILD NUTRITION FUND (FUND 240)					
PROPOSED BUDGET					
2019-20					
REVENUE					
	5742 INTEREST INCOME		35,000		
	5751 LOCAL FOOD SERVICE REVENUE		1,074,936		
	5829 STATE MATCHING FUNDS		16,000		
	5831 TRS On Behalf		25,000		
	5921 BREAKFAST PROGRAM REVENUE		563,500		
	5922 LUNCH PROGRAM REVENUE		1,677,280		
	5923 USDA DONATED COMMODITIES		194,234		
		TOTAL REVENUE		3,585,950	
EXPENDITURES					
	FUNCTION 35				
		6100 SALARIES & BENEFITS	1,354,500		
		6200 CONTRACTED SERVICES	23,825		
		6300 SUPPLIES & MATERIALS	1,860,750		
		6400 OTHER OPERATING EXPENSE	5,675		
		6400 UNRESTRICTED INDIRECT	230,200		
		6600 CAPITAL OUTLAY	111,000		
		TOTAL FUNCTION 35		3,585,950	
	FUNCTION 51				
		6200 CONTRACTED SERVICES	0		
		TOTAL FUNCTION 51		0	
		TOTAL EXPENDITURES		3,585,950	
NET EFFECT TO FUND BALANCE					0



Child Nutrition Expenditures

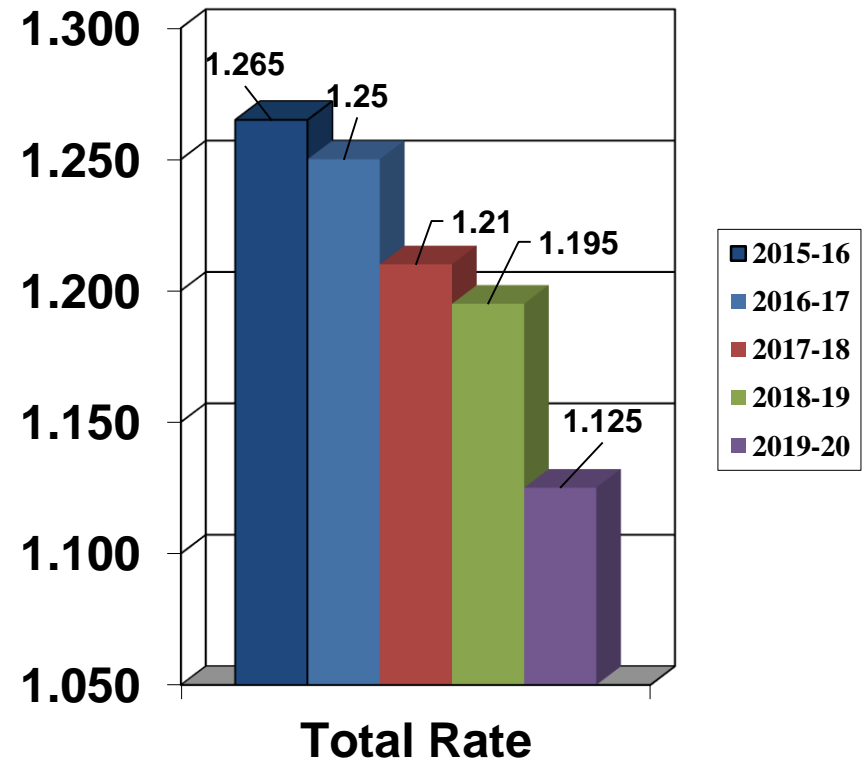


- Revenue is projected to be more in 2019-20 by \$97,950
 - 2.8% Increase from 18-19
- Expenditures are projected to increase in 2019-20 by \$97,950.
 - 2.8% increase from 18-19
- Fund balance projected to be \$599,055 at 8/31/20

- Tax Rate is set by the School Board
 - Maximum rate of \$0.97 M & O
 - Tax rate compression required with passage of HB3
- Debt rate necessary to meet current obligations
- Subject to Voter-Approval (Rollback) Tax Rate
- Current total rate of \$1.195

M & O -	1.04
Debt Service -	0.155
- Proposed total rate of \$1.125

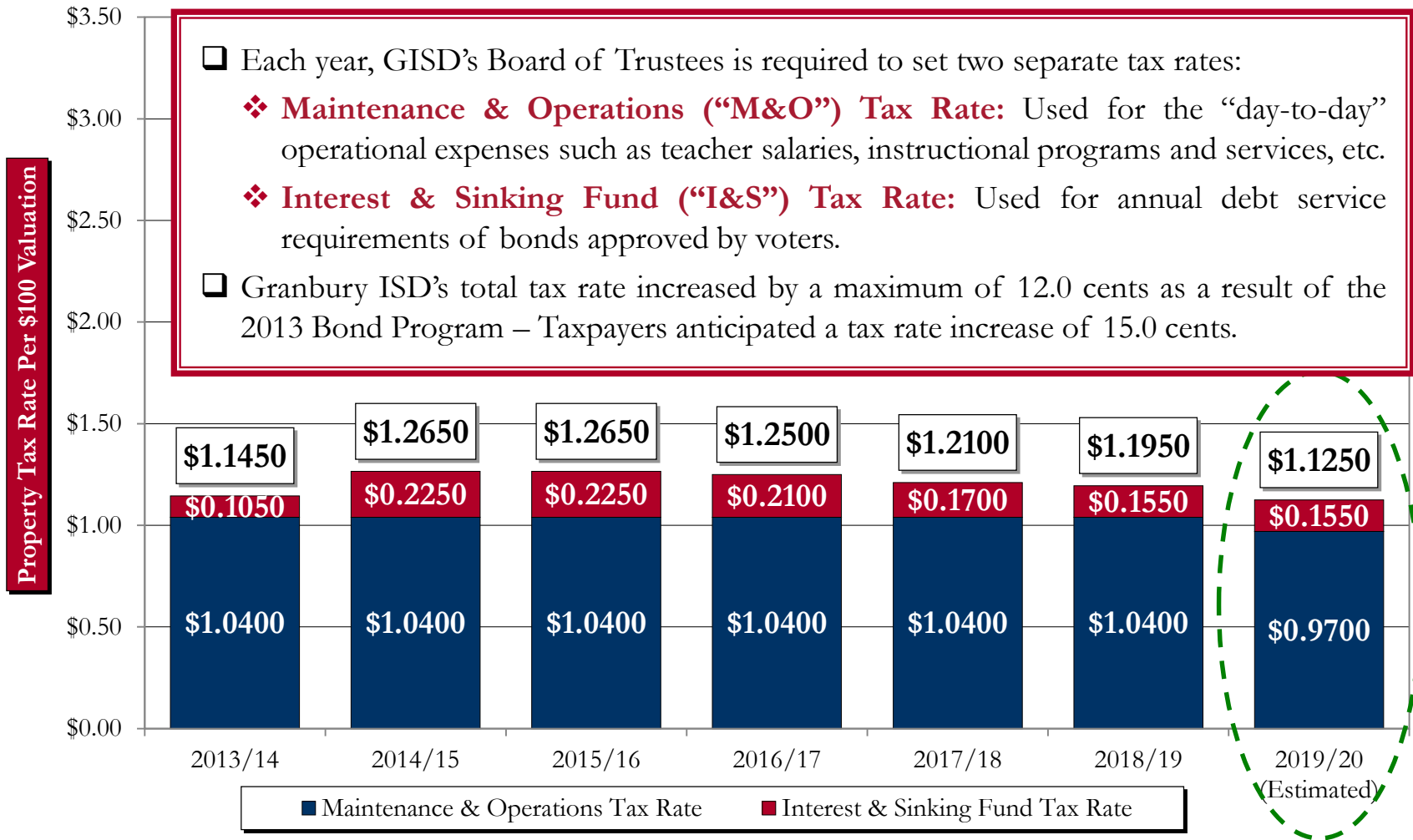
M&O -	0.97
Debt Service -	0.155





Historical Tax Rates

District's Historical Tax Rates



**Notice of Public Meeting to Discuss
Budget and Proposed Tax Rate**

Comparison of Proposed Rates with Last Year's Rates

	Maintenance & Operations	Interest & Sinking Fund*	Total	Local Revenue Per Student	State Revenue Per Student
Last Year's Rate	1.04000	0.15500	1.19500	8,862	929
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	1.12952	0.17737	1.30690	9,849	243
Proposed Rate	0.97000	0.15500	1.12500	10,153	419

* The Interest and Sinking Fund tax revenue is used to pay for bonded debt on construction, equipment, or both.
The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.



Questions?

Discussion?
