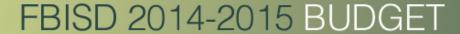




Our Goal

Fort Bend ISD's goal for 2014-15 is to fund activities that support the District's Mission and Vision while achieving a balanced budget that does not require a tax increase.





Funding Operations

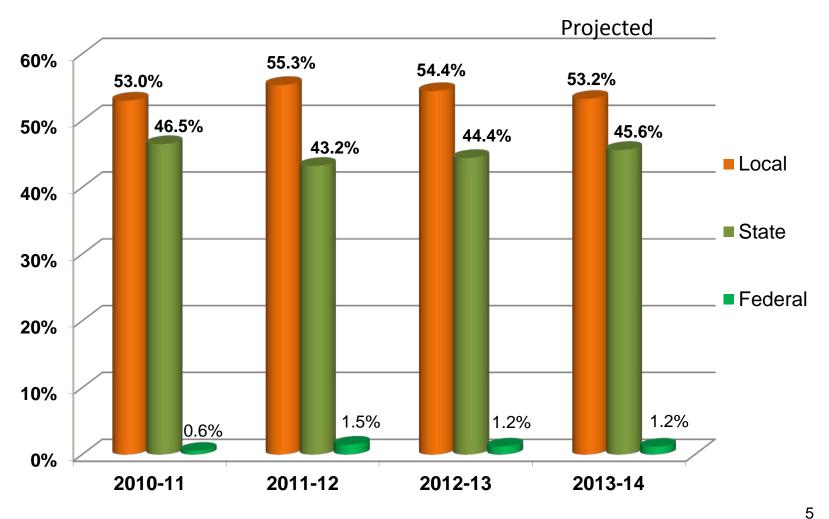
2013-14 Adjusted Budget	(\$Millions)
General Fund	\$513.1
Child Nutrition Fund	\$29.1
Debt Service Fund	\$74.5
Internal Service Fund	
 Workers Compensation 	\$1.4
 Health Insurance 	\$53.7
Capital Projects Fund	\$52.0
Special Revenue Fund	
– Title I	\$9.6
– IDFA	\$16.7

Fort Bend Independent School District



Revenue

General Fund Revenue Sources



FBISD Finance

Revenue by Source

	2	2012-13		2013-14 Adopted		2013-14
(\$000's)		Actual		Budget		rojection
Local	\$	264,924	\$	278,002	\$	285,228
State		216,120		213,587		244,269
Federal		5,820		5,570		6,250
Total	\$	486,864	\$	497,159	\$	535,747

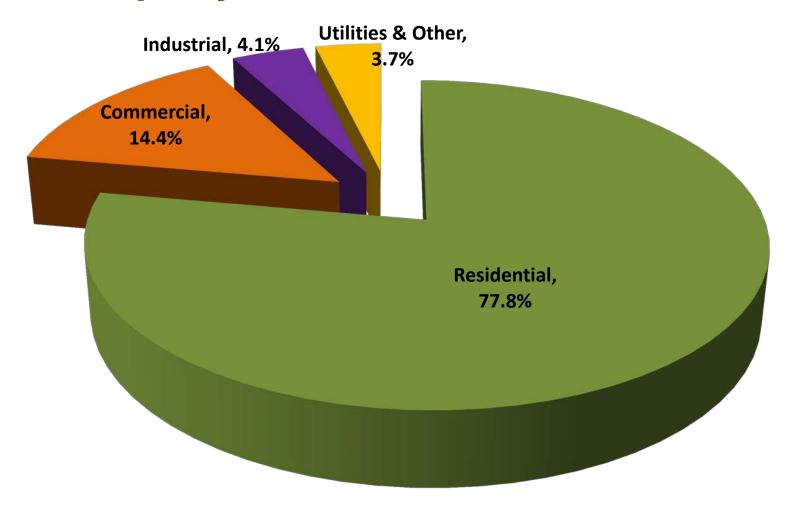


General Fund Revenue

	2013-14 Revenue Projection					
	Р	rojected	Percent of			
	F	Revenue	Total			
(\$000's)	_					
Property Tax	\$	269,984	50.4%			
Other Local Income		15,244	2.8%			
State Funding		244,269	45.6%			
Federal Funding		6,250	1.2%			
Total	\$	<i>535,747</i>	100.0%			



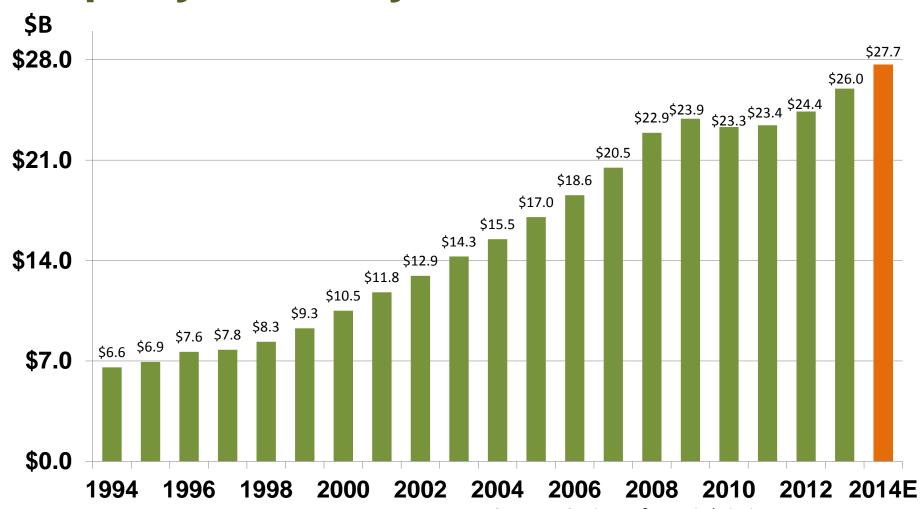
FBISD Property Value 2013-14



Source: FBISD Finance & Appraisal District



Property Value By Year



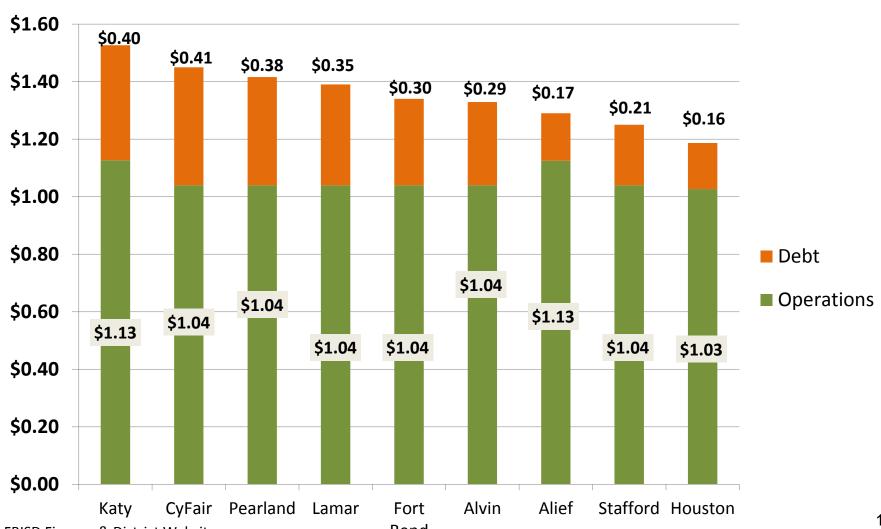


2014-15 Fort Bend ISD Taxable Property Value

- ➤ Approximate increase of 6.5% in taxable value vs. last year growth of 6.5%
- >\$27,667,149,383 Taxable Value
- >\$2,766,715 Local Revenue per Penny (99% Collection Rate)



Houston Area Tax Rates 2013

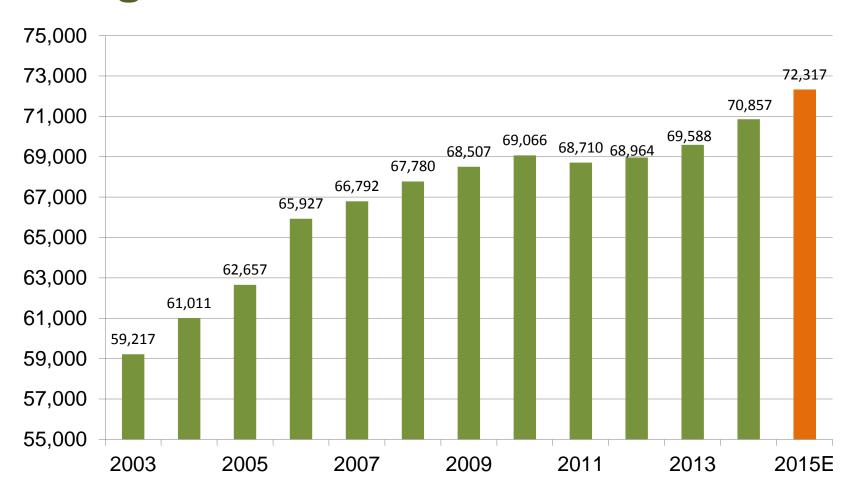


Source: FBISD Finance & District Websites

Bend



Average Student Enrollment



FBISD Tier 1 Funding 2013-14 Projected

	Current Weights	Current FTEs	T	ier 1 Revenue
Regular Program ADA	1.0	63,972	\$	352,612,606
Special Education	1.1 - 5.0	2,295		30,581,063
Career & Tech	1.35 - \$50	2,724		17,507,889
Bilingual	0.10	8,795		4,847,620
Gifted & Talented	0.12	3,342		2,199,197
Comp Ed	0.20	27,297		30,091,662
Comp Ed Pregnancy	2.41	4		54,424
Transportation Allotme	ent			5,936,670
High School Allotment	\$275	21,381		5,879,693
	Weighted ADA - 8	2 702	\$	449,710,824

Weighted ADA = 83,782

	Projected
State Funding Elements	2013-14 Budget
Total Cost of Tier I	\$449,710,824
Less: Local Fund Assignment	(\$240,390,472)
State Share of Tier I	\$209,320,352
Tier II and Other Programs	\$12,848,237
TRS on behalf	\$22,100,000
Total 2013-14 State Allocation	\$244,268,589



Expenditures



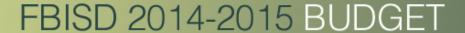
Comparing Actual to Budget, Budget to Projections

Why is it difficult to compare actual, budget & projections?

- Actual includes recorded expenditures
 - **❖** Includes savings from turnover & lower salaries
 - Includes savings from budget manager stewardship
- Budget is the legal authorization to spend money
 - **❖** Assumes all positions are filled at all times & Salaries based on current personnel or position averages for unfilled positions
 - ❖ Non-staff accounts: assumes that all will be spent and none will be carried forward
- Projection is a forecast of year end results
 - **❖** Includes savings from turnover, lower salaries, unspent funds

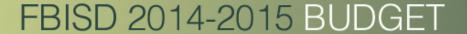
Expenditures by Function Code

(\$000's)	2012-13 Actual	201	3-14 Adjusted Budget	%
Instruction (11)	\$ 289,240	\$	315,929	61.6%
Instructional Resources & Media Services (12)	6,615		6,959	1.4%
Curriculum & Instructional Staff Development (13)	5,038		6,076	1.2%
Instructional Leadership (21)	4,889		5,111	1.0%
School Leadership (23)	28,608		31,308	6.1%
Guidance/Counseling/Evaluation Services (31)	20,128		21,822	4.3%
Social Work Services (32)	463		416	0.1%
Health Services (33)	5,918		6,328	1.2%
Student Transportation (34)	17,053		17,453	3.4%
Extracurricular Activities (36)	9,221		10,586	2.1%
General Administration (41)	11,307		12,412	2.4%
Plant Maintenance & Operations (51)	49,805		53,845	10.5%
Security and Monitoring Services (52)	5,227		5,241	1.0%
Data Processing Services (53)	8,497		10,124	2.0%
Community Services (61)	6,036		6,517	1.3%
Facilities Acquisition & Construction (81)	386		262	0.1%
Intergovernmental Charges (93)	368		499	0.1%
Other Intergovernmental Charges (99)	1,761		2,200	0.4%
Total	\$ 470,560	\$	513,088	100%



Expenditures by Functional Group

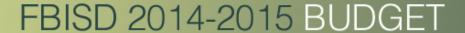
	2012-13	2013	3-14 Adjusted	
(\$000's)	Actual		Budget	%
Instructional (Func. 11,12,13)	\$ 300,893	\$	328,964	64.1%
Instructional Support (Func. 21,23)	33,497		36,420	7.1%
Campus Support (Func.31,32,33,34,36,61)	58,820		63,123	12.3%
Central Administration (Func.41)	11,307		12,411	2.4%
District Operations (Func.51,52,53,81,93,99)	66,043		72,170	14.1%
Total	\$ 470,560	\$	513,088	100.0%



Expendituresby Object Code

		2012-13	2013-	14 Adjusted	2	2013-14
(\$000's)		Actual	E	Budget	Pr	ojection
Payroll Costs (61XX)	\$	408,857	\$	432,684	\$	423,400
Professional & Contract Services (62XX)		32,481		39,127		36,524
Supplies & Materials (63XX)		17,583		27,263		23,454
Other Operating Costs (64XX)		9,511		12,061		11,068
Capital Outlay (66XX)		2,128		1,953		1,800
Operating Expenditures	\$	470,560	\$	513,088	\$	496,246
Other Financing*	\$	(104)	\$	-	\$	10,241
Total Expenditures	\$	470,456	\$	513,088	\$	506,487

^{* 2013-14} amount is transfer out to health insurance fund



Expendituresby Object Code

	2	2013-14	
(\$000's)	Pr	ojection	%
Payroll Costs (61XX)	\$	423,400	85.3%
Professional & Contract Services (62XX)		36,524	7.4%
Supplies & Materials (63XX)		23,454	4.7%
Other Operating Costs (64XX)		11,068	2.2%
Capital Outlay (66XX)		1,800	0.4%
Operating Expenditures	\$	496,246	100.0%
Other Financing	\$	10,241	
Total Expenditures	\$	506,487	



Net Change in Fund Balance

(\$000's)	2012-13 Actual		14 Adopted Budget	2013-14 Projection		
Revenue	\$	486,864	\$ 497,159	\$	535,747	
Operating Expenditures	\$	470,560	\$ 497,159	\$	496,246	
Other Financing	\$	104		\$	(10,241)	
Net Change in Fund Balance	\$	16,408	\$ 	\$	29,260	
Beginning Fund Balance	\$	154,050	\$ 154,050	\$	170,458	
Ending Fund Balance	\$	170,458	\$ 154,050	\$	199,718	

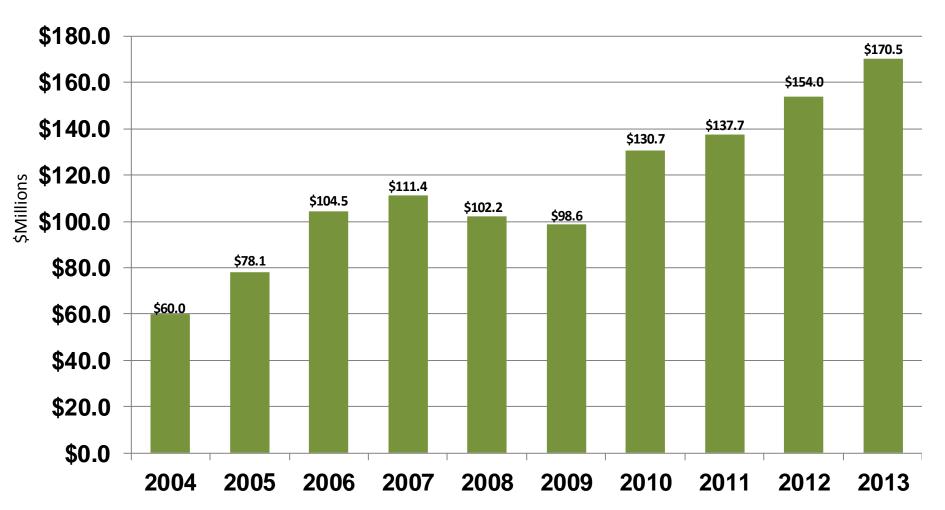
Remember: Fund Balance ¥ Cash Balance



Uses of Fund Balance

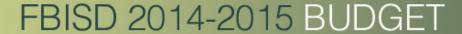
- Cash management & working capital
- "AA+" bond ratings lower interest rates on district bonds
- Unforeseen expenditures and/or disasters
- Unforeseen revenue shortfalls
- Ongoing support for educational programs (one-time)
- Best Practices
 - The Government Finance Officers Association (GFOA) recommends ... "no less than two months of... regular general revenue operating expenditures"
 - The TEA's "rule of thumb" is for the unassigned fund balance to equal the
 estimated amount needed to cover cash flow deficits in the General Fund for
 the fall period following the fiscal year plus estimated monthly cash
 disbursements for the following fiscal year
 - Fund balance need is greater for Districts with June 30th year end

Total Fund Balance



Source: FBISD Finance

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Fund Balance

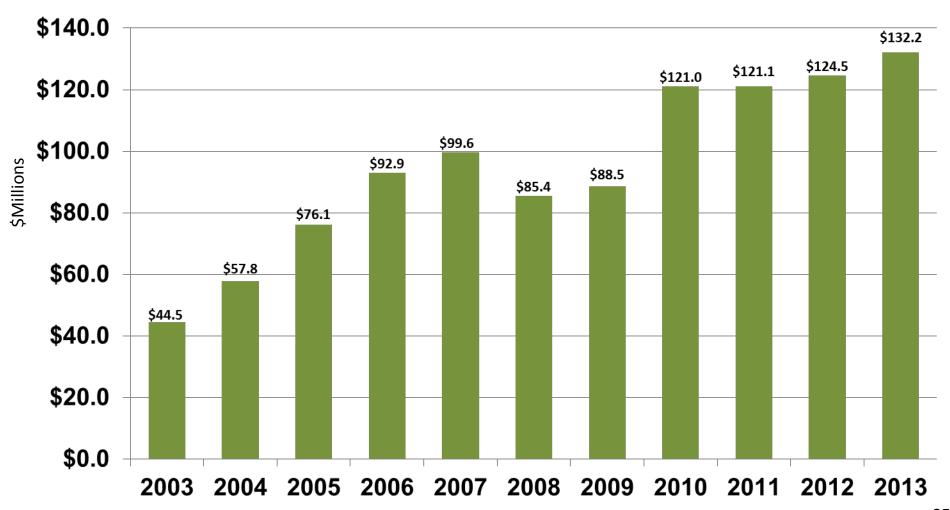
	Adjusted Budge			
(\$000's)	2013-14			
Inventories	\$	532		
Prepaid Items		1,121		
Various Expenditures*	13,300			
Health Insurance		10,255		
Assigned for other purposes **		13,093		
Unassigned		132,157		
Total Fund Balance	\$	170,458		

^{*\$10}M Major Maintenance, \$1.9M Instructional Materials, \$0.5M Custodial Supplies, \$0.5M Musical Instruments, \$0.4M Curriculum

^{** \$6.2}M Special Education MOE, \$6.9M roll forward of prior year purchase orders



Total Unassigned Fund Balance





2013-14 Fund Balance

- ➤ Will be recommending a portion of fund balance to be committed for:
 - Health Insurance Reserve
 - Special Education Maintenance of Effort
 - Covering potential shortfall of State revenue (\$40M)
- Designate future General Fund surplus to reduce need for bond funds or to pay off debt early



Net Change in Fund Balance

(\$000's)	2012-13 Actual		2013-14 Adopted Budget		_	2013-14 ojection
Revenue	\$ 486,864	486,864	\$	\$ 497,159		535,747
Operating Expenditures	\$	470,560	\$	497,159	\$	496,246
Other Financing	\$	104			\$	(39,241)
Net Change in Fund Balance	\$	16,408	\$		\$	260
Beginning Fund Balance	\$	154,050	\$	154,050	\$	170,458
Ending Fund Balance	\$	170,458	\$	154,050	\$	170,718

Remember: Fund Balance ¥ Cash Balance



Additional Considerations

- ➤ Legislative Session 2015
 - Competing Demands
 - Improved Economy
- ➤ School Finance Lawsuit
- ➤ Sequestration
- ➤ Affordable Care Act
- ➤ Maintenance of Effort



Budget Calendar



Budget Committee Process



Budget Committees: Transparency & Collaboration at All Levels

- ➤ Budget & Compensation Committee
 - Nominated delegates
 - Participation from all campuses and departments
 - Document needs and set priorities
- Principals & Directors
- > Teacher Forum
- > Benefits Committee

