

2014-2015 Proposed Budget

June 2, 2014

5.00

4.90

4.50

M J J A S O N





Our Goal

Fort Bend ISD's goal for 2014-15 is to fund activities that support the District's Mission and Vision while achieving balanced budgets that do not require tax increases

FBISD 2014-2015 BUDGET

General Fund



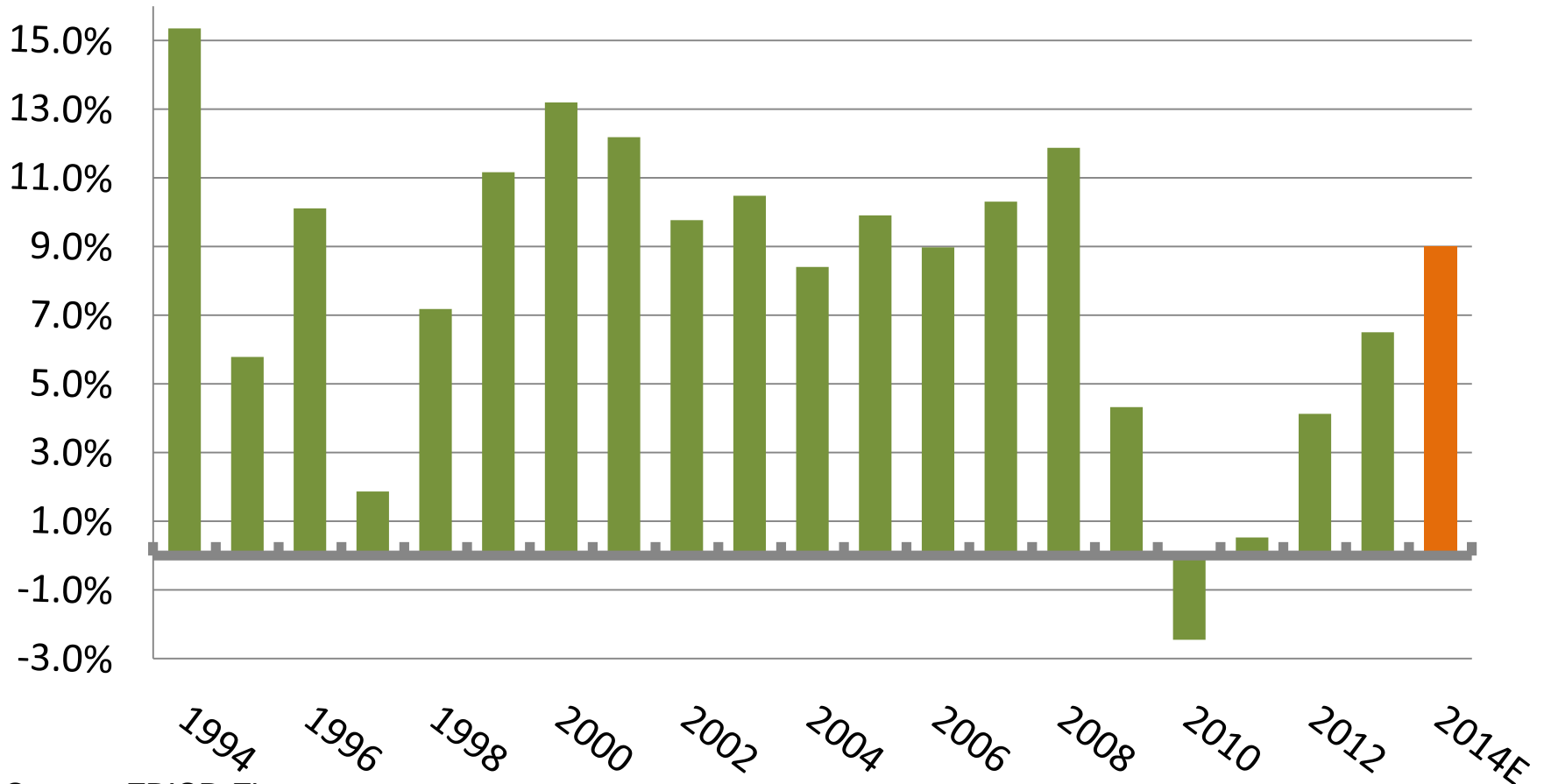


Revenue by Source

	2013-14	2014-15	2014-15	2014-15
(\$M's)	Projection	Proposed	\$ Variance	% Total
Local	\$ 282.7	\$ 310.3	\$ 27.6	54.8%
State	\$ 243.8	\$ 249.8	\$ 6.0	44.1%
Federal	\$ 7.0	\$ 6.4	\$ (0.6)	1.1%
Total	\$ 533.5	\$ 566.5	\$ 33.0	100.0%



Annual Growth/(Decline) Net Assessed Property Value 1994 - 2014



Source: FBISD Finance

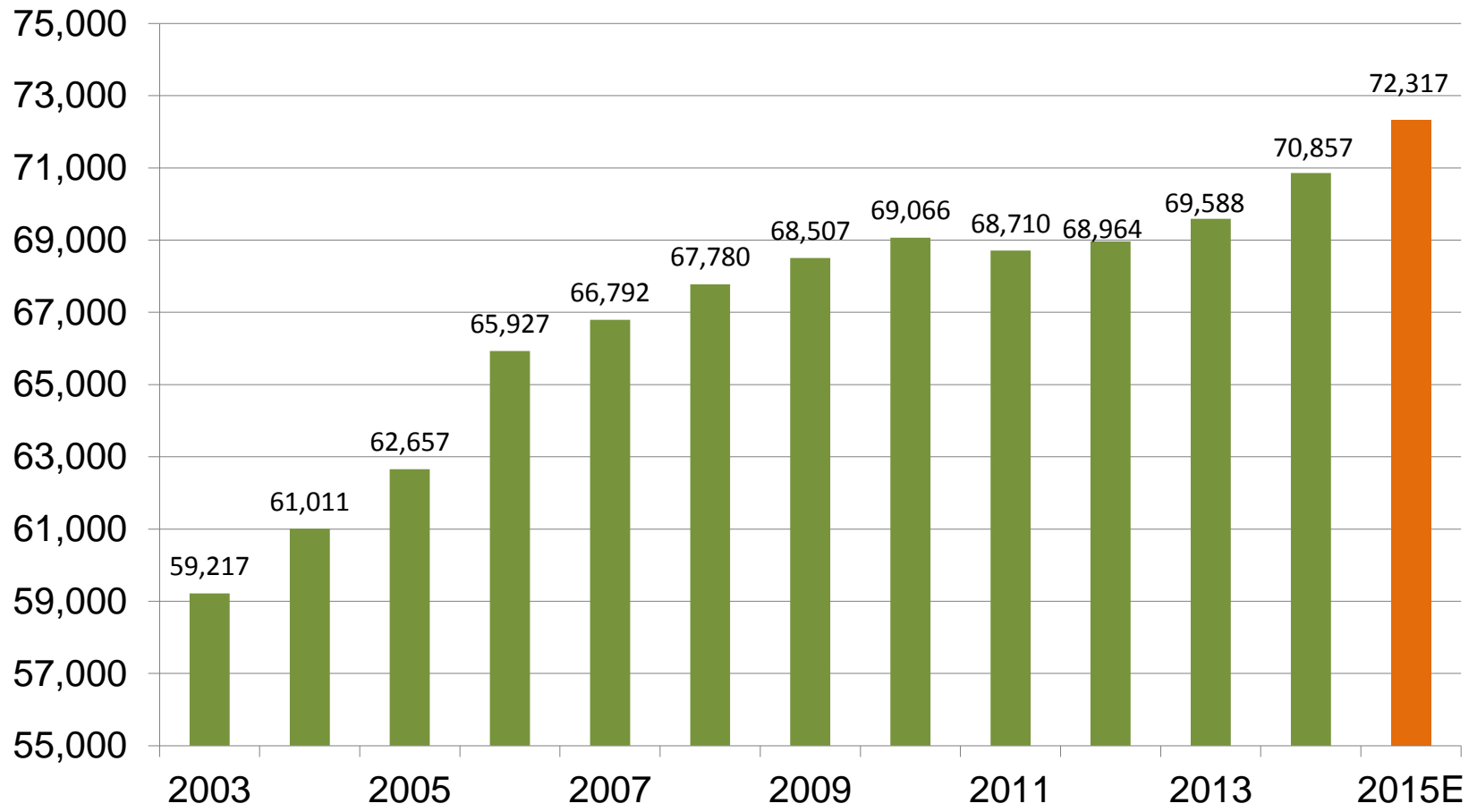


2014-15 Fort Bend ISD Taxable Property Value

- **Approximate increase of 9.0% in taxable value vs. last year growth of 6.5%**
- **\$28,433,071,258 Taxable Value**
- **\$2,814,874 Local Revenue per Penny (99% Collection Rate)**



Average Student Enrollment





District Goals

- 1) FBISD will provide an educational system that will enable all students to reach their full potential**
- 2) FBISD will recruit, develop and retain effective teachers**
- 3) FBISD will provide a supportive climate and a safe learning/working environment**
- 4) FBISD will provide and promote leadership development at all levels**
- 5) FBISD will be a collaborative, efficient and effective learning community**



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**



Rationale for 2014-15 Salary Increases

- **To support Board commitment to recruit, develop and retain effective teachers**
- **To be competitive within the Houston area and State**
- **To address high turnover among teachers with 10 or less years of experience**
- **To balance these objectives with maintaining stewardship of taxpayer funds**



2014-15 Teacher Pay Scale & General Increase

- **\$50,000 Starting Pay**
- **Percentage Increase Ranges from 4.0% to 8.6% (5.8% avg.)**
- **Salary Increase Ranges from \$2,214 to \$4,147 (\$3,018 avg.)**
- **Teacher Salary Leader through Year 14 on Scale**
- **Proposed pay increase of 4% of midpoint for non-teaching employees**
- **Cost of \$14.1M for Teachers & \$5.4M for Others = \$19.5M**



Staffing Plan

- **Staffing plan is the result of:**
 - ❖ **Administrative team focused on achieving Board goals and addressing Board priorities**
 - ❖ **Development of long range financial forecast to substantiate sustainability**
 - ❖ **Collaboration with Budget & Compensation Committee, Principals and Teacher Forum to identify and prioritize budget initiatives**
 - ❖ **Feedback from Board of Trustees**



Summary of Compensation & Staffing

Salary and Staffing Summary General Fund 2014-15

<u>(\$M's)</u>	<u>2014-15</u>	<u>FTE's</u>
Salary Increases	\$ 19.5	
Other Compensation	1.5	
Campus Staffing	23.2	395.0
Non-Campus Staffing	4.7	57.0
Non-staff Budget Increases	4.7	
Total Investment	<u><u>\$ 53.6</u></u>	<u><u>452.0</u></u>



Expenditures by Function Code

(\$000's)	2013-14 Projected	2014-15 Proposed	% Total
Instruction (11)	\$ 306,968	\$ 345,179	61.5%
Instructional Resources & Media Services (12)	6,521	8,018	1.4%
Curriculum & Instructional Staff Development (13)	5,594	7,670	1.4%
Instructional Leadership (21)	5,136	6,178	1.1%
School Leadership (23)	30,748	34,186	6.1%
Guidance/Counseling/Evaluation Services (31)	20,975	25,108	4.5%
Social Work Services (32)	619	696	0.1%
Health Services (33)	6,382	7,269	1.3%
Student Transportation (34)	17,075	18,918	3.4%
Extracurricular Activities (36)	10,506	11,686	2.1%
General Administration (41)	12,706	13,162	2.3%
Plant Maintenance & Operations (51)	53,313	56,576	10.1%
Security and Monitoring Services (52)	5,271	5,997	1.1%
Data Processing Services (53)	9,757	11,677	2.1%
Community Services (61)	5,743	6,611	1.2%
Facilities Acquisition & Construction (81)	262	25	0.0%
Intergovernmental Charges (93)	499	493	0.1%
Other Intergovernmental Charges (99)	2,200	2,250	0.4%
Total	\$ 500,275	\$ 561,701	100%



Expenditures by Object Code

(\$000's)	2013-14	2014-15	\$ Variance	% Total
	Projected	Proposed		
Payroll Costs (61XX)	\$ 429,750	\$ 484,862	\$ 55,112	86.32%
Professional & Contract Services (62XX)	32,943	37,515	4,572	6.68%
Supplies & Materials (63XX)	25,482	26,134	652	4.65%
Other Operating Costs (64XX)	10,121	12,363	2,242	2.20%
Capital Outlay (66XX)	1,979	827	(1,152)	0.15%
Operating Expenditures	\$ 500,275	\$ 561,701	\$ 61,426	100.00%
Other Financing*	\$ 33,192		\$ (33,192)	
Total Expenditures	\$ 533,467	\$ 561,701	\$ 28,234	

* 2013-14 amount is transfer out to health insurance fund and capital project fund



2014-15 Proposed General Fund

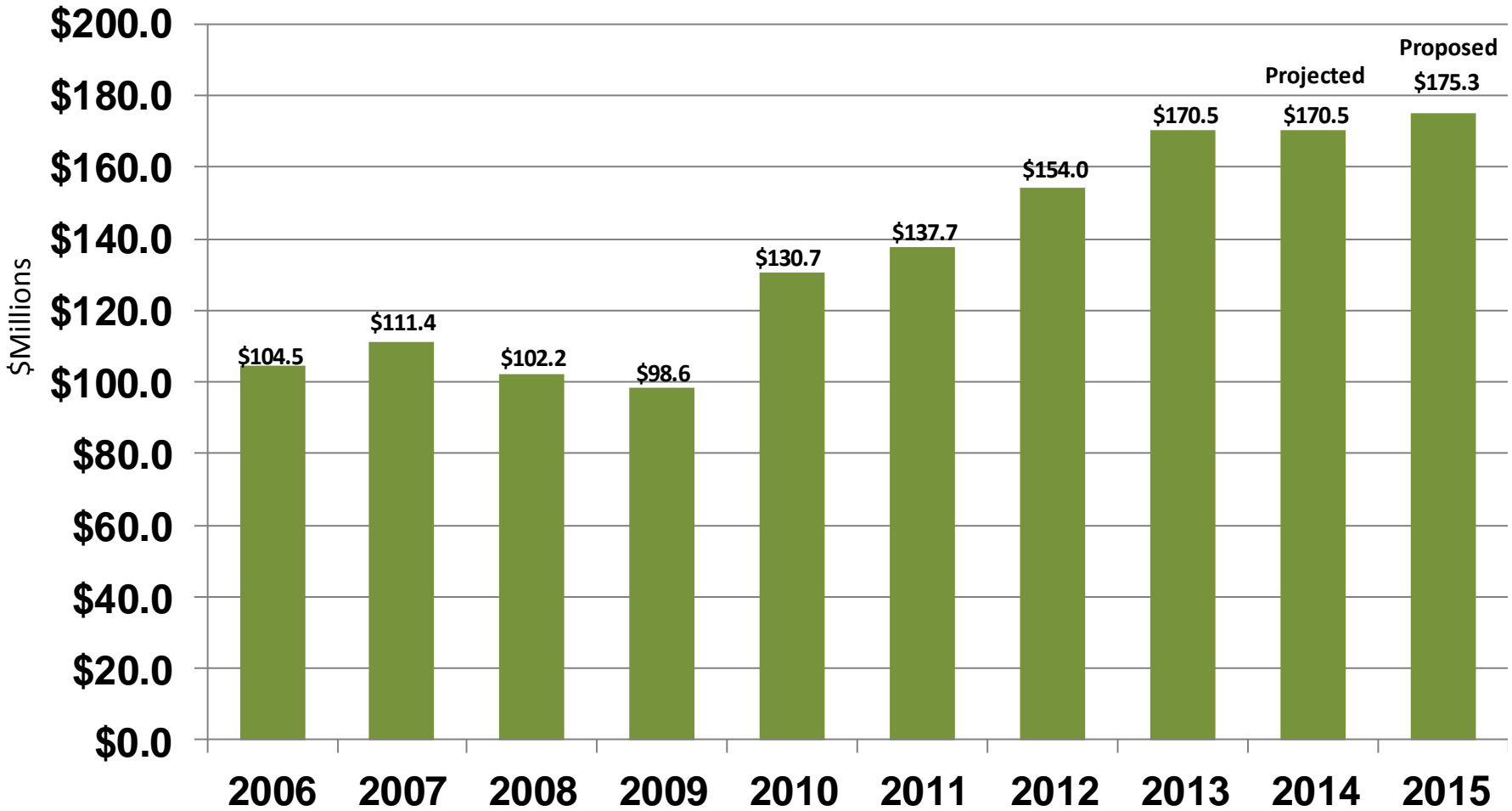
(\$000's)	2013-14 Projected	2014-15 Proposed	2014-15 \$ Variance
Revenue	\$ 533,467	\$ 566,511	\$ 33,044
Operating Expenditures	\$ 500,275	\$ 561,701	\$ 61,426
Other Financing*	\$ (33,192)	\$ -	\$ 33,192
Net Change in Fund Balance	\$ -	\$ 4,810	\$ 4,810
Beginning Fund Balance	\$ 170,458	\$ 170,458	\$ -
Ending Fund Balance	\$ 170,458	\$ 175,268	\$ 4,810

* 2013-14 amount is transfer out to health insurance fund, and capital project fund

Remember: Fund Balance ≠ Cash Balance



Total Fund Balance





2013-14 Ending Fund Balance

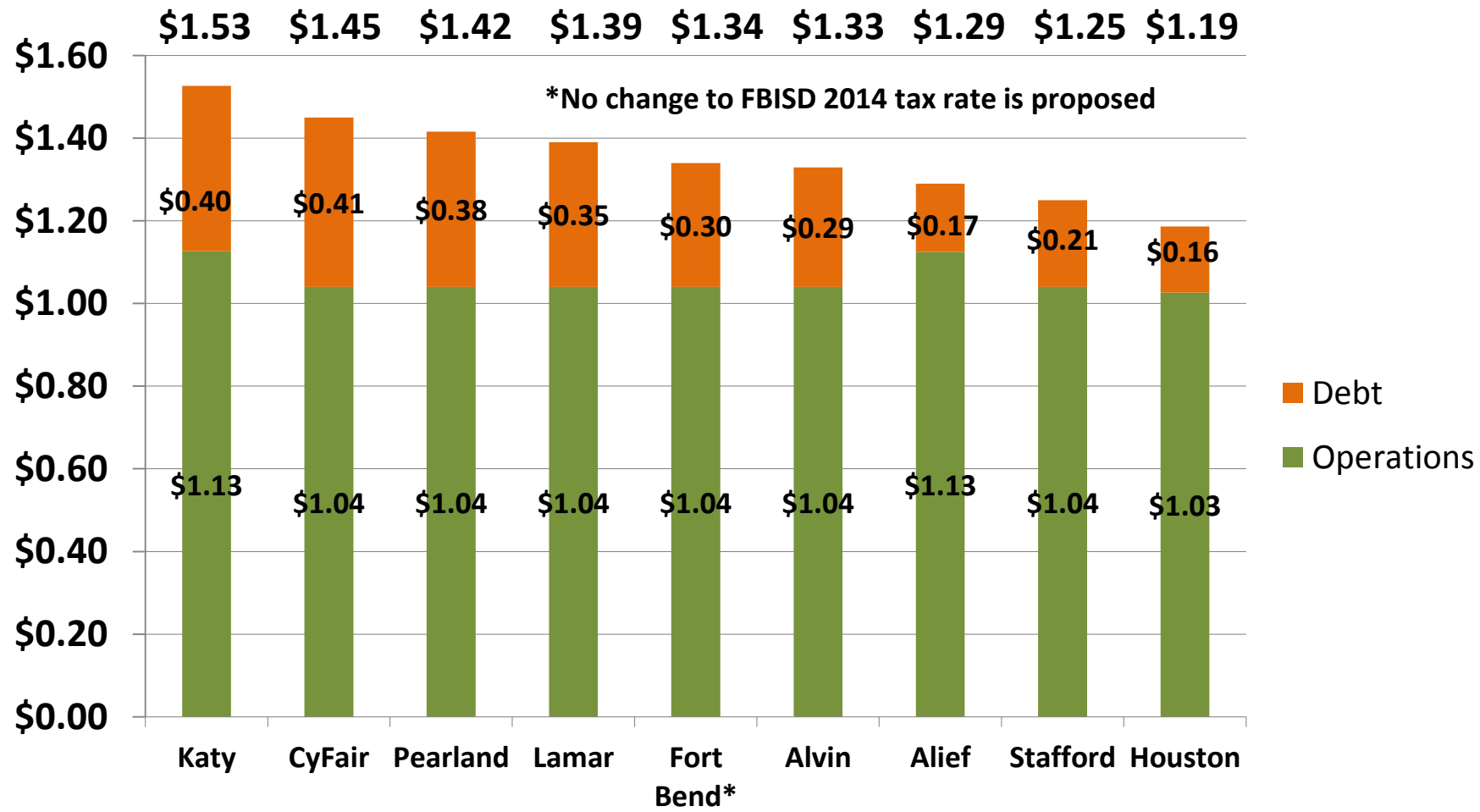
- Will be recommending a portion of fund balance to be committed for:
 - Instructional Materials (\$5.0M)
 - Unforeseen Maintenance (\$8.9M)
- Designate future General Fund surplus to reduce need for bond funds or to pay off debt early

Debt Service Fund





Houston Area Tax Rates 2013





Average Assessed Home Value

	<u>2013</u>	<u>2014*</u>
Average Market Value	\$ 194,444	\$ 213,888
Change		10.0%
Average Taxable Value	\$ 177,799	\$ 195,579
Change		10.0%

* Assumes average percentage increase of 10%.



Proposed Tax Rate Impact Assuming Average Value increase (10.0%)

Market Value	2013 Tax	2014 Tax *	\$ Change	\$ Monthly
Tax Rate	\$ 1.3400	\$ 1.3400	\$ -	
\$ 100,000	\$ 1,116.96	\$ 1,249.86	\$ 132.90	\$ 11.08
\$ 150,000	\$ 1,786.96	\$ 1,986.86	\$ 199.90	\$ 16.66
\$ 200,000	\$ 2,456.96	\$ 2,723.86	\$ 266.90	\$ 22.24
\$ 213,888	\$ 2,643.06	\$ 2,928.57	\$ 285.51	\$ 23.79
\$ 300,000	\$ 3,796.96	\$ 4,197.86	\$ 400.90	\$ 33.41

* Assumes average percentage increase of 10%, homestead exemption of \$15,000 and average cap loss of \$1,645 for Tax Year 2013 and \$1,727 for Tax Year 2014.



2014-15 Proposed Debt Service Fund

	2012-13	2013-14	2014-15	2015 *
(\$M's)	Actual	Projection	Projection	Calendar Yr
Revenue	\$ 72.6	\$ 77.2	\$ 85.2	\$ 85.2
Expenditures	\$ 72.0	\$ 74.8	\$ 73.4	\$ 84.4
Surplus (deficit)	\$ 0.6	\$ 2.4	\$ 11.8	\$ 0.8
Beginning Fund Balance	\$ 48.9	\$ 49.5	\$ 51.9	
Ending Fund Balance	\$ 49.5	\$ 51.9	\$ 63.7	

* Tax Rate is set based on calendar year debt payments.

Current tax rate will support the early payoff of \$7.7M in debt.

Child Nutrition Fund





2014-15 Proposed Child Nutrition Fund

FBISD 39.8% Free and Reduced

(\$M's)	2013-14* Projection	2014-15** Projection	2014-15 \$ Variance
Revenue	\$ 24.5	\$ 26.6	\$ 2.1
Expenditures	\$ 27.0	\$ 28.7	\$ 1.7
Surplus (deficit)	<u>\$ (2.5)</u>	<u>\$ (2.1)</u>	<u>\$ 0.4</u>
Beginning Fund Balance	<u>\$ 12.8</u>	<u>\$ 10.3</u>	
Ending Fund Balance	<u><u>\$ 10.3</u></u>	<u><u>\$ 8.2</u></u>	

*2.8M for CND office renovation

**3.9M for high school serving lines renovation

No meal price increase planned for 2014-15



2014-15 Budget Calendar – Key Upcoming Dates

- **June 9 – Regular Board Meeting**
 - ❖ **Budget adoption**