



Texas Comptroller
Leadership Circle

2015 - 2016

Budget Presentation



FINANCIAL HIGHLIGHTS 2014 - 2015

- I. Unassigned General Fund Balance equals 24% of the Budget @ 8/31/14
- II. Budget Presentation & CAFR Awards from ASBO (Over 20 Years) & GFOA (15 Years)
- III. Financial Integrity Rating System of Texas (FIRST) - Superior Achievement Rating for year ended August 31, 2013
- IV. 5-Star Rating by the 2014 Financial Allocation Study of Texas (FAST). One of only 4 ISD's to receive a 5-Star rating for all five years.
- V. Clean Audit from Weaver & Tidwell
- VI. Lowest Tax Rate (\$1.28) compared to our Area Peer Group
- VII. Budget Surplus of \$17M used to build Oak Ridge 9th Addition without using New Debt for this Project.



FAST | Financial Allocation Study of Texas

Five Star
Recipients



Five
Consecutive
Years

Conroe

Cypress-Fairbanks

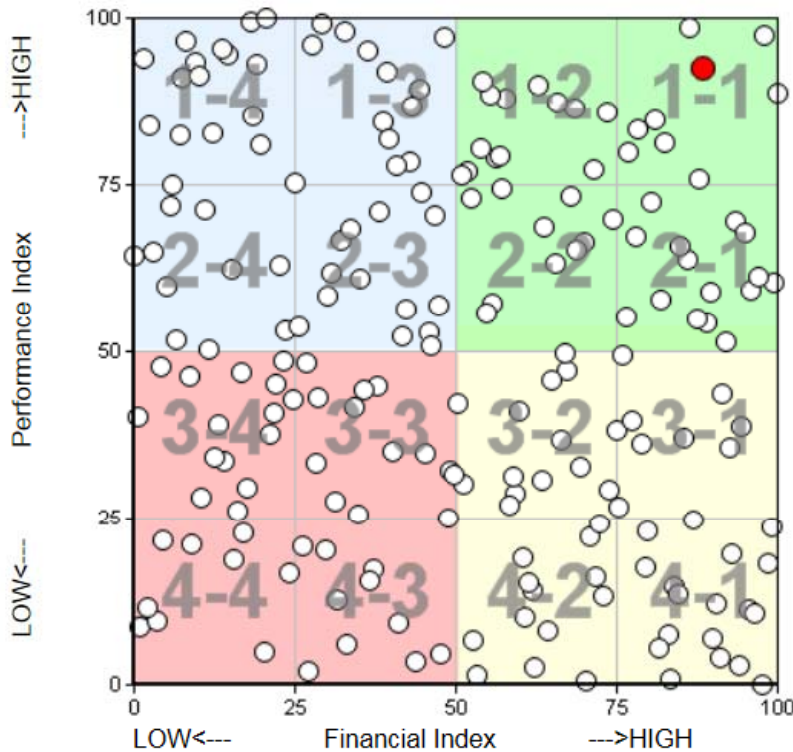
Friendswood

Sunnyvale



2015 ERG Position

ERG Performance Profile



1-1 Districts

Hurst-Euless-Bedford

Cypress-Fairbanks

Conroe

Richardson

Galena Park

Birdville

Houston

Carrollton-Farmers Branch

Amarillo



Comparison To State Averages By Function

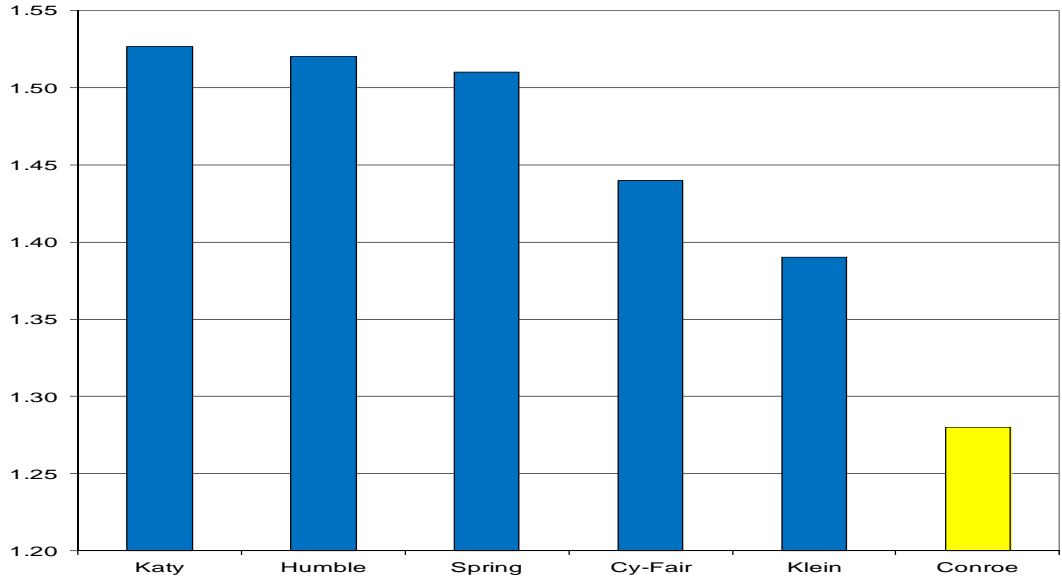
General Fund Expenditures by Function	<u>2014-2015</u> Conroe ISD Budget	<u>2014-2015</u> State Average Budget
Instruction (11,95)	62.79 %	59.09 %
Instructional-Related Services (12,13)	1.93 %	2.87 %
Instructional Leadership (21)	1.01 %	1.43 %
School Leadership (23)	6.50 %	6.46 %
Student Support Services (31,32,33)	5.64 %	4.89 %
Student Transportation (34)	5.13 %	3.40 %
Food Service (35)	0.00 %	0.85 %
Extracurricular Activities (36)	2.41 %	2.92 %
Central Administration (41,92)	1.78 %	3.83 %
Plant Maintenance & Operations (51)	10.08 %	11.35 %
Security & Monitoring Services (52)	1.20 %	1.01 %
Data Processing Services (53)	<u>1.53 %</u>	<u>1.97 %</u>
Total	100.00 %	100.00 %
Budgeted Expenditures per Student	\$7,128	\$7,915

Source: 2014-2015 Budgeted Financial Data (<http://www.tea.state.tx.us>)



2014-2015 Tax Rate Comparison

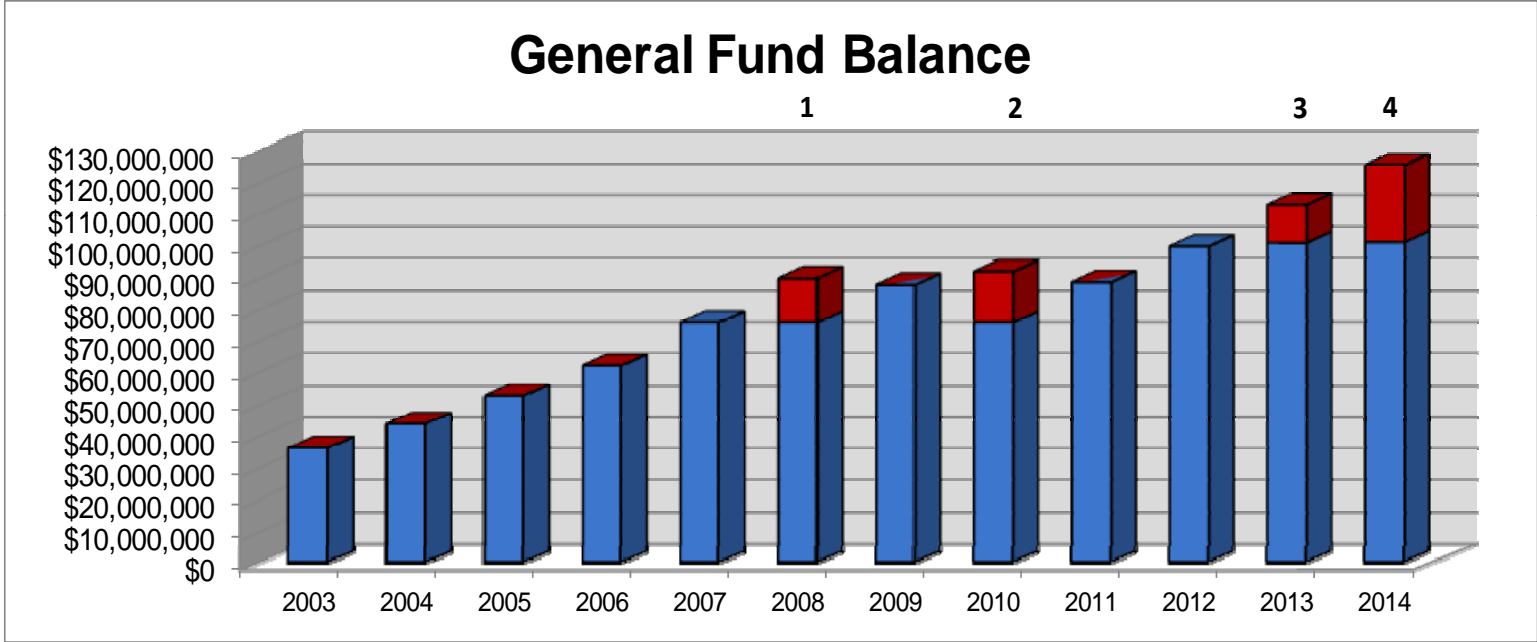
2014 – 2015
Combined Tax
Rate
Comparison
With Area
School Districts



Fiscal Year 2014-2015			
District	Total Rate	General	Debt Service
Katy	1.52660	1.126600	0.40000
Humble	1.52000	1.170000	0.35000
Spring	1.51000	1.040000	0.47000
Cy-Fair	1.44000	1.040000	0.40000
Klein	1.39000	1.040000	0.35000
Peer Average Tax Rate	1.4773	1.0833	0.3940
Conroe Tax Rate	1.2800	1.0400	0.2400



General Fund Balance



1. \$14 M used to build Bonnie Wilkinson Elementary
2. \$16 M used for Construction projects and Safety & Technology needs
3. \$12 M used to cover life cycle and safety needs & the health fund
4. \$24.5M used for ORHS 9th grade, life cycle & the health fund



15-16 Budget Objectives

1. Meet the needs for the 2015-2016 school year.
2. Provide a competitive raise and additional salary adjustments for identified areas.
3. Utilize budget surplus to support capital projects and reduce bond debt requirements.



Fund Balance Analysis

2014-2015 Budget = \$ 395.1 M

Objective: Maintain an Unassigned Fund Balance of 16% to 24% of the Annual Budget (approx. 2-3 mos. of expenses)

16% of Budget	\$ 63.2 M
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24% of Budget	\$ 94.8 M
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Estimated Unassigned Fund Balance @ 8-31-15 = \$ 110.8 M
28% of budget and (\$16.0M over high-end Target)



Attendance Data

Last Nine Fiscal Years, Current Year, & One Year Projection

Average Enrollment Growth Per Year
1,578

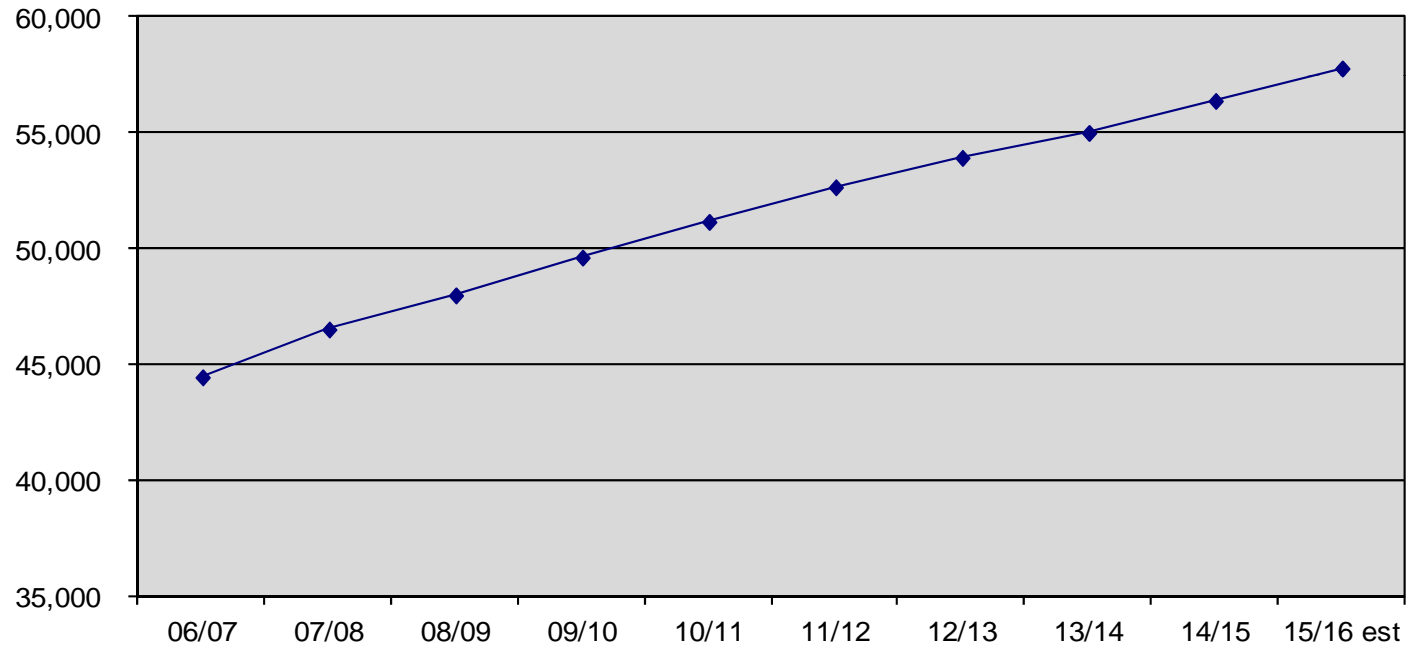
Average ADA Growth Per Year
1,582
3.6%

Year	Enrollment		Average Daily Attendance			
	Actual Enrollment	Total Yearly Change	ADA Amount	Total Yearly Change	Percent (Decrease)	Percent of Enrollment
2006	42,613	2,181	38,484	1,850	5.0%	90.31%
2007	44,460	1,847	40,938	2,454	6.4%	92.08%
2008	46,524	2,064	43,305	2,367	5.8%	93.08%
2009	47,996	1,472	44,915	1,610	3.7%	93.58%
2010	49,629	1,633	46,275	1,360	3.0%	93.24%
2011	51,170	1,541	47,888	1,613	3.5%	93.59%
2012	52,664	1,494	49,498	1,610	3.4%	93.99%
2013	53,934	1,270	50,465	967	2.0%	93.57%
2014	55,009	1,075	51,830	1,365	2.7%	94.22%
2015	56,392	1,383	52,885	1,055	2.0%	93.78%
2016	57,792	1,400	54,036	1,151	2.2%	93.50%
Average		1,578		1,582	3.6%	93.2%

* State revenue estimates & campus expenditure budget allocations rely on enrollment data.



Enrollment Trend





Certified Property Values

Last 10 yr
Average
Increase
8.82%

Tax Year	Certified Value	Change in Certified Value	
		\$	%
2015	29,840,409,057	2,911,859,001	10.81%
2014	26,928,550,056	3,019,678,901	12.63%
2013	23,908,871,155	1,898,891,099	8.63%
2012	22,009,980,056	1,019,637,597	4.86%
2011	20,990,342,459	717,354,839	3.54%
2010	20,272,987,620	558,807,212	2.83%
2009	19,714,180,408	1,358,634,446	7.40%
2008	18,355,545,962	1,768,563,478	10.66%
2007	16,586,982,484	2,092,386,379	14.44%
2006	14,494,596,105	1,537,496,618	11.87%
2005	12,957,099,487	1,197,300,737	10.18%
2004	11,759,798,750	861,026,838	7.90%



2015-2016 Homestead Exemption Increase

Current Homestead Exemption Increased from \$15,000 to \$25,000.
Assessed Value Decrease is estimated at \$611,500,000

M&O Funding Loss	\$6.4M
I&S Funding Loss	<u>\$1.5M</u>
Local Tax Funding Decrease	\$7.9M

The District will be held harmless for any revenue lost

M&O - Adjustments made to the State Funding Formula

I & S- Hold Harmless is applied to any debt issued prior to
9/1/15. New bond issues are not eligible for revenue protection.

Actual formulas for the calculation not yet published by TEA.



2015-2016 Funding Estimate

• State & Local Increase (10.8% AV and 1400 ADA increases)	\$ 28.0 M
• 1.5% TRS Contribution Funding	(3.5 M)
• Available Surplus from 2014-2015	<u>22.1 M</u>
Total Estimated Available Funding	<u>\$ 46.6 M</u>

Net Revenue Growth Equals \$24.5M



Conroe ISD

**2015-16 New Hire Guide for
Teachers, Librarians, and Nurses (RN)**

Model 2 (3% GPI + Adjustments)

2015-2016
Teacher
Hiring
Schedule

\$1,625 Raise with targeted equity adjustment for teachers with 10+ years of service.

Years of Experience	New Hire Salary
0	\$50,000
1	\$50,325
2	\$50,765
3	\$51,145
4	\$51,520
5	\$51,745
6	\$51,945
7	\$52,245
8	\$52,455
9	\$52,805
10	\$53,155
11	\$53,736
12	\$54,103
13	\$54,458
14	\$54,883
15	\$55,382
16	\$55,829
17	\$56,219
18	\$56,608
19	\$57,064
20	\$57,680
21	\$58,124
22	\$58,578
23	\$59,564
24	\$60,536
25+	\$61,438



15-16 Salary Increase

3% General Pay Increase	\$	8,909,438
Adjustments to Teachers (over 10 years)		593,352
Auxiliary Adjustments Pay Grade 1 and other		850,256
Adjustment for Special Education Aides		104,426
Increase Bilingual Stipend to Market		348,250
Other Stipend Increases		<u>92,000</u>
Total Salary Increase	\$	10,897,722



15-16 Personnel Additions

	<u>Prof</u>	<u>Para</u>	<u>Aux</u>	<u>Total</u>	<u>Total Cost</u>
1400 Student Growth	96.50	13.50	-	110.00	\$ 5,619,500
Program Additions					
Lead Nurse	1.00	-	-	1.00	70,000
Instructional Support	3.50	-	-	3.50	222,500
Human Resources Support	-	1.00	-	1.00	35,000
Behavior Support Special Ed	-	1.00	-	1.00	25,000
Technology Support	3.00	1.00	-	4.00	195,000
Auxiliary	-	-	19.00	19.00	639,000
Total Personnel Additions	104.00	16.50	19.00	139.50	\$ 6,806,000



Personnel - Student Growth

CAMPUS POSITIONS	Elementary	Intermediate	Junior High	High School	Grand Total	Total Cost
Teachers	16.00	17.50	16.50	26.50	76.50	4,249,500
Contingency Teaching Positions	15.00	5.00	0.00	0.00	20.00	1,100,000
Para-Professionals	5.50	3.50	4.50	0.00	13.50	270,000
Total	36.50	26.00	21.00	26.50	110.00	5,619,500



Other Expense Detail

Utilities	\$	1,000,000
MCAD Fees		700,000
Supplies-Campus Growth		125,000
Maintenance, P&C and Police (equipment and supplies)		194,000
Fuel Savings		(300,000)
CTE AutoCAD Software		50,000
Microsoft Office Licenses		122,000
Web Page Support		40,000
Insurance & Other		<u>95,000</u>
Other Expense Increase	\$	2,026,000



Adopted Budget Increase

Salary Increase	\$ 10,897,722
Personnel for Growth (1,400 students)	5,619,500
Personnel for Program Additions	1,186,500
Health Fund Funding Proposal	1,800,000
Other Expenses	<u>2,026,000</u>
Total Budget Increase	\$ 21,529,722

\$ 21.5 M equals a 5.4 % Budget Increase



2015-2016 Adopted Budget

Revenue

14-15 Budgeted Revenue (Includes \$22M Surplus)	\$ 417.2 M
15-16 Projected Revenue Increase	<u>24.5 M</u>
Projected 15-16 Budget Revenue	\$ <u>441.7 M</u>

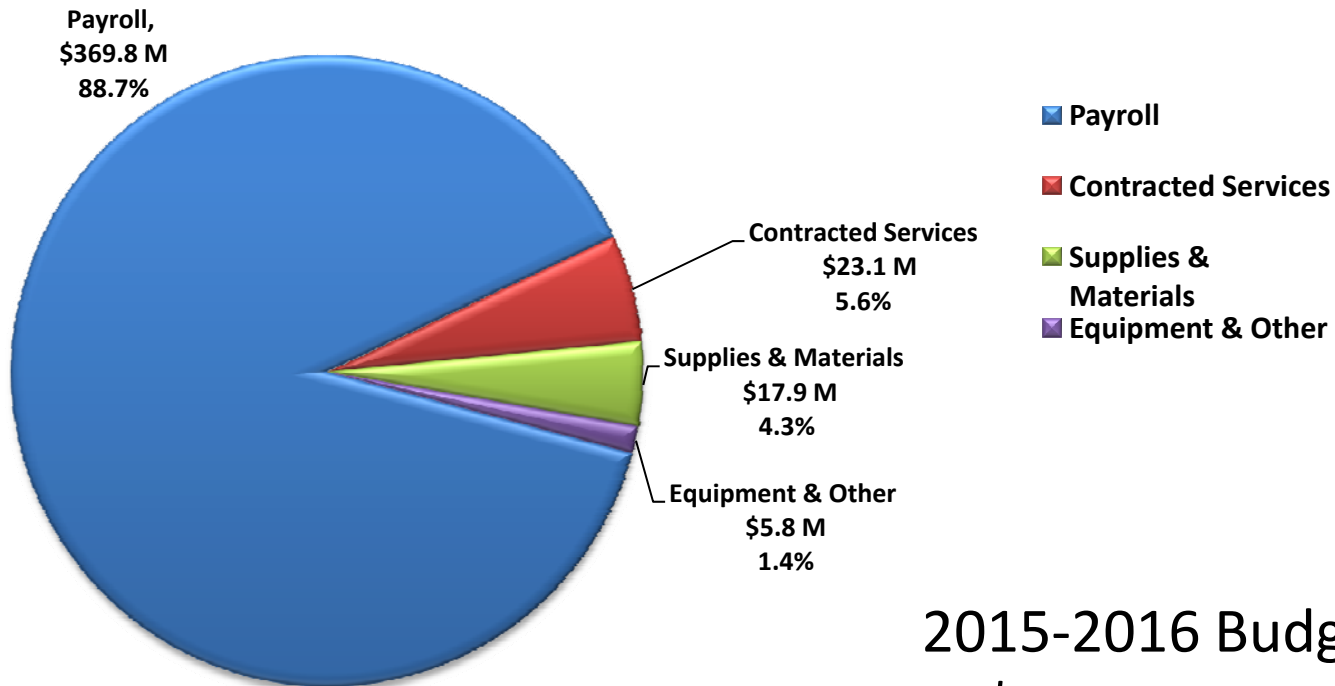
Expenses

14-15 Budgeted Expenses	\$ 395.1 M
Salary Increase	10.9 M
Additional Personnel	6.8 M
Other Expenses	<u>3.8 M</u>
Projected 15-16 Budget Expenses	\$ <u>416.6 M</u>

Difference \$ 25.1 M



2015-2016 Budget Summary



2015-2016 Budget
\$416,662,226



CISD
2015-2016
Adopted
Budget

	General Operating Funds	Special Revenue Funds	Debt Service Fund
<i>2014-15 Tax Rate</i>	\$ 1.0400		\$ 0.2400
<i>Tax Rate Change</i>	-		-
<i>2015-16 Adopted Tax Rate</i>	\$ 1.0400		\$ 0.2400
Estimated Beginning Fund Balance	<u>\$ 116,695,548</u>	<u>\$ 3,157,966</u>	<u>\$ 33,632,656</u>
Estimated Revenue			
Local Revenues	298,639,111	7,891,497	71,716,982
State Funding	123,293,327	-	-
Federal Revenue	-	10,108,503	-
TRS In-Kind Funds	<u>19,800,000</u>	<u>-</u>	<u>-</u>
Total	<u>441,732,438</u>	<u>18,000,000</u>	<u>71,716,982</u>
Estimated Appropriations			
11 Instructional	262,249,921	-	-
12 Instructional Resources and Media Services	5,208,707	-	-
13 Staff Development	2,671,490	-	-
21 Instructional Administration	3,540,528	-	-
23 School Administration	27,226,654	-	-
31 Guidance and Counseling	16,459,210	-	-
32 Attendance and Social Work Services	483,717	-	-
33 Health Services	4,518,751	-	-
34 Pupil Transportation	20,851,493	-	-
35 Child Nutrition	-	16,691,000	-
36 Co-Curricular Activities	9,635,300	-	-
41 General Administration	7,115,093	-	-
51 Plant Maintenance and Operation	41,974,713	1,309,000	-
52 School Police	5,521,154	-	-
53 Technology	5,986,762	-	-
61 Community Service	18,733	-	-
71 Debt Service	-	-	81,939,489
81 Facilities Acquisition and Construction	-	-	-
99 Other Intergovernmental Charges	<u>3,200,000</u>	<u>-</u>	<u>-</u>
Total	<u>416,662,226</u>	<u>18,000,000</u>	<u>81,939,489</u>
Estimated Ending Fund Balance	<u>\$ 141,765,760</u>	<u>\$ 3,157,966</u>	<u>\$ 23,410,149</u>



2015-2016 Adopted Tax Rate

	Tax Rate 2014-2015	Adopted Tax Rate 2015-2016	Increase <Decrease>
M & O	\$1.04	\$1.04	\$0.00
Debt	\$0.24	\$ 0.24	\$0.00
Total	\$1.28	\$1.28	\$0.00

The 2015-2016 Adopted Tax Rate of \$1.28 is 48¢
lower than 2005-2006 Tax Rate of \$1.76



Fund Balance Analysis

2015-2016 Budget = \$ 416.6 M

Objective: Maintain an Unassigned Fund Balance of 16% to 24% of the Annual Budget (approx. 2-3 mos. of expenses)

16% of Budget	\$ 66.7 M
24% of Budget	\$ 100.0 M

Estimated Unassigned Fund Balance @ 8-31-16 = \$ 135.8M,
32.6% of budget and (\$35.8M over high-end target)



Pro-Forma 2016-2017 Budget

2016-2017

Beginning Revenue		\$ 441.70 M
Estimated Revenue Change		
Local Revenue 6% AV growth	\$ 17.60	
* State Funding 1,400 growth	(27.40)	
Total Revenue Decrease		(9.80)
Total Revenue		\$ 431.90 M
Beginning Expenditures		\$ 416.60 M
Estimated Expenditure Increase		
3.0 % Salary Increase per TASB	\$ 11.00	
Health Insurance	1.50	
Additional Personnel for Growth	7.20	
Other expenses	2.00	
Total Estimated Expenditure Increase		21.70
Total Expenditures		\$ 438.30 M
Shortfall		\$ (6.40) M



Proposal for Fund Balance Surplus

- Save in the General Fund Balance to support the 2016-2017 budget
- Utilize budget surplus to support capital projects and reduce bond debt requirements

NOTE: The 2016 AV increase and enrollment growth will determine available budget funding for 2016-2017.