



CONROE
INDEPENDENT
SCHOOL DISTRICT



2020-2021

Proposed Budget Presentation

August 18, 2020
Public Hearing



CONROE
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SCHOOL DISTRICT

COVID 19 Expenditures

COVID Expenditures & Encumbrances

Remote Learning/Technology/Communications	\$ 2,289,004.00
PPE/Barriers	900,000.00
Cleaning/Sanitization	2,500,000.00
Misc Supplies	55,000.00
Additional Payroll/Staff	1,082,700.00
Employee Leaves for COVID Est.	5,000,000.00
Total Additional Expenses	<u>\$ 11,826,704.00</u>

Lost Revenue

Interest Revenue	\$ (1,000,000.00)
Game Revenue	(300,000.00)
Building Rental Revenue	(850,000.00)
Child Nutrition Revenue	(3,500,000.00)
Transportation Funding	(2,000,000.00)
Total Lost Revenue	<u>\$ (7,650,000.00)</u>
Grand Total	<u>\$ 19,476,704.00</u>



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FINANCIAL HIGHLIGHTS 2019 - 2020

- I. Unassigned General Fund Balance equals 24.5% of the Budget @ 8/31/19
- II. Budget & CAFR Awards from ASBO (Over 25 Years) - CAFR Awards from GFOA (20 Years)
- III. Financial Integrity Rating System of Texas (FIRST) – Superior Rating for year ended August 31, 2019
- IV. Clean Audit from Weaver
- V. **Transparency Stars – Traditional Finances , Debt Obligations, and Contracts & Procurement.**
- VI. Lowest Tax Rate (\$1.23) compared to our Area Peer Group
- VII. **Education Resource Group ranked CISD as the 2nd highest rated district out of the 200 largest districts in the state, Based on Academic and Financial Performance.**
- VIII. **5 - Star rating by the 2019 Texas Smart Schools. One of only 2 ISD's to receive a 5-Star rating all 11 years.**



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TXSmartSchools

Five Star Recipients



Eleven Consecutive
Years

Conroe

Cypress-Fairbanks

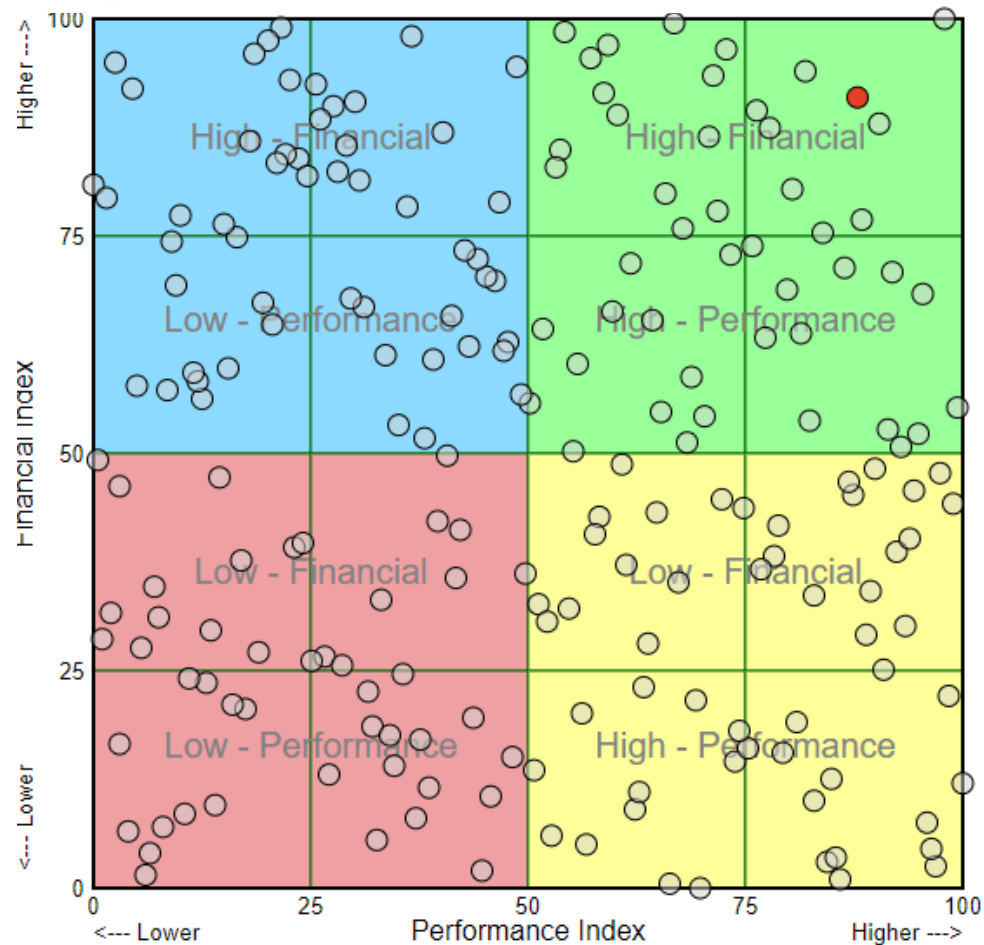
FAST

Financial Allocation
Study of Texas



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2018-2019 ERG Ranking



1-1 Districts

Hurst-Euless-Bedford

Conroe

Pearland

Cypress-Fairbanks

Tomball

Birdville

Laredo

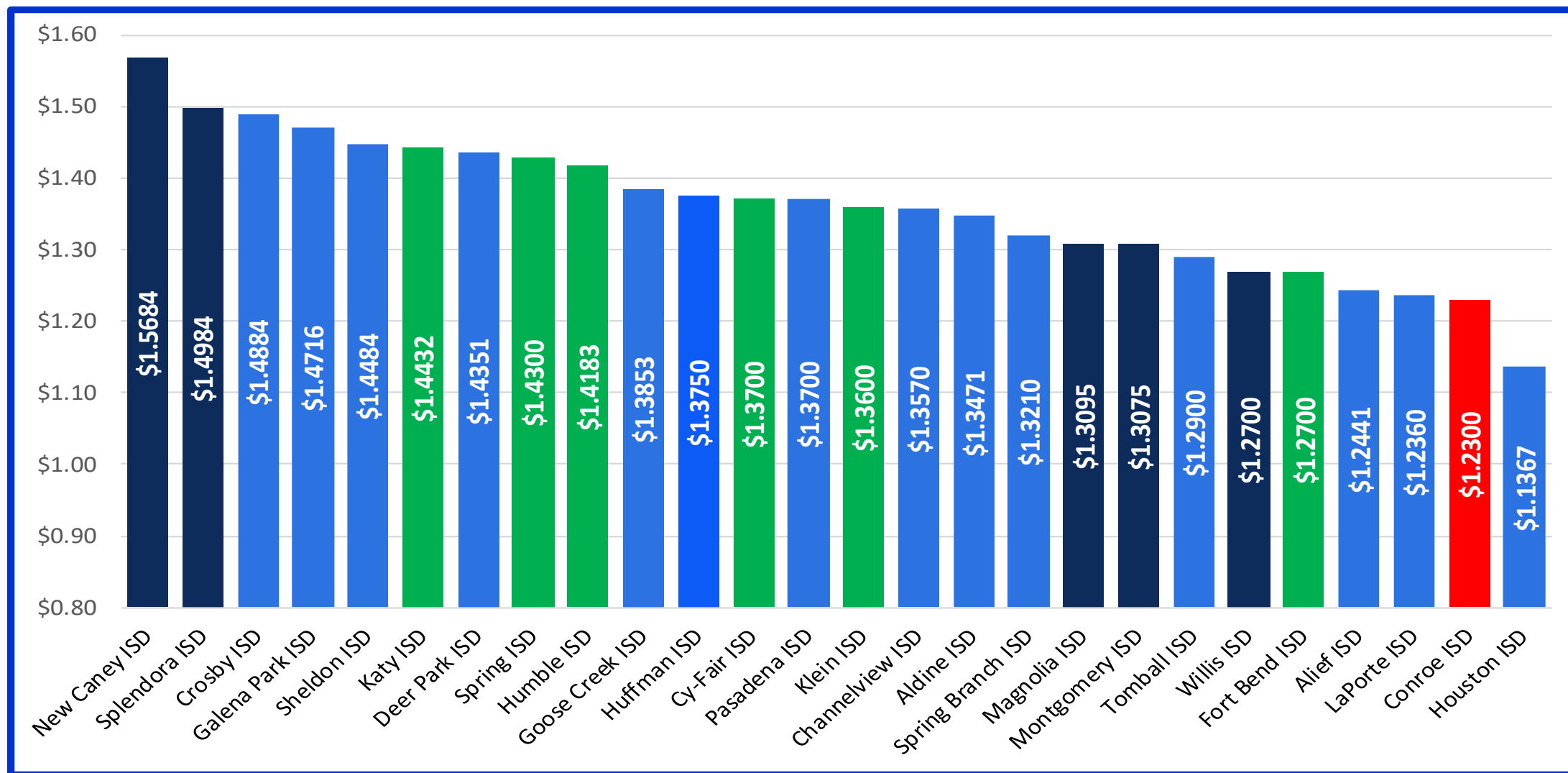
Socorro

Fort Bend



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2019-2020 Houston Area Tax Rate Comparison





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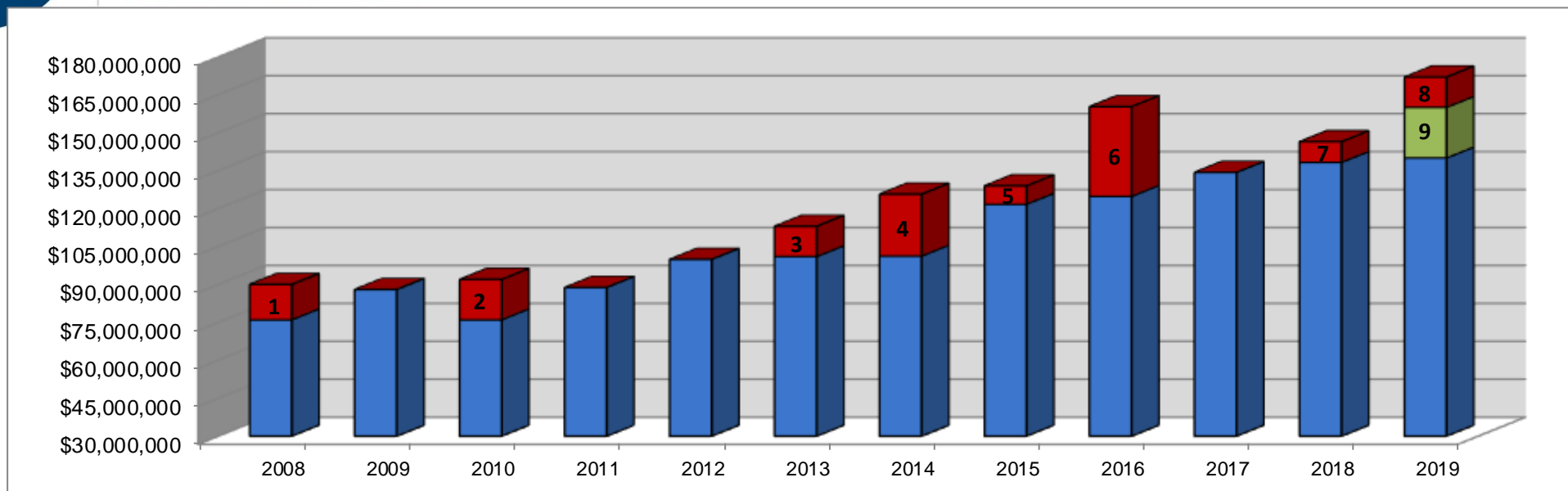
2020-2021 Budget Objectives

1. Meet the needs for the 2020-2021 school year.
(Opening Stockton Junior High, 12th grade at GOHS, Anticipated 1,500 New Students, and Personnel allocation adjustments at elementary and intermediate schools)
2. Provide Cost of Living Increase for all Employees
3. Provide funding to meet the requirements of HB3
 - Full-Day Pre-k
 - Reading Practices (Reading Academy K-3)
 - Dyslexia, CCMR and Special Ed Programs
4. Provide funding for costs related to COVID-19
 - Support the transition to virtual learning
 - Supplies and equipment for maintaining a safe environment for students and staff



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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
5. \$7.3 M used for TWHS girls locker room addition & the health fund
6. \$35.5 M used for construction projects & the health fund
7. \$8.2 M used for Irons Junior High classroom addition & football stadium scoreboards
8. \$12 M Technology
9. \$20 M Capital Maintenance Fund



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Fund Balance Analysis

Objective: Maintain an Unassigned Fund Balance of 20 - 25% of the Annual Budget (approx. 3 mos. of expenses)

2020-2021 Budget	\$ 576.9 M
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20% of Budget	\$ 115.4 M
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25% of Budget	\$ 144.2 M
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Estimated Unassigned Fund Balance @ 8-31-20 = \$ 140.1 M 24% of budget
\$24.7 M over low end of target and \$4.1 M under the high end of target



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Average
Enrollment
Growth
Per Year
1,515

Average
ADA
Growth
Per Year
1,471
2.77%

Attendance Data

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

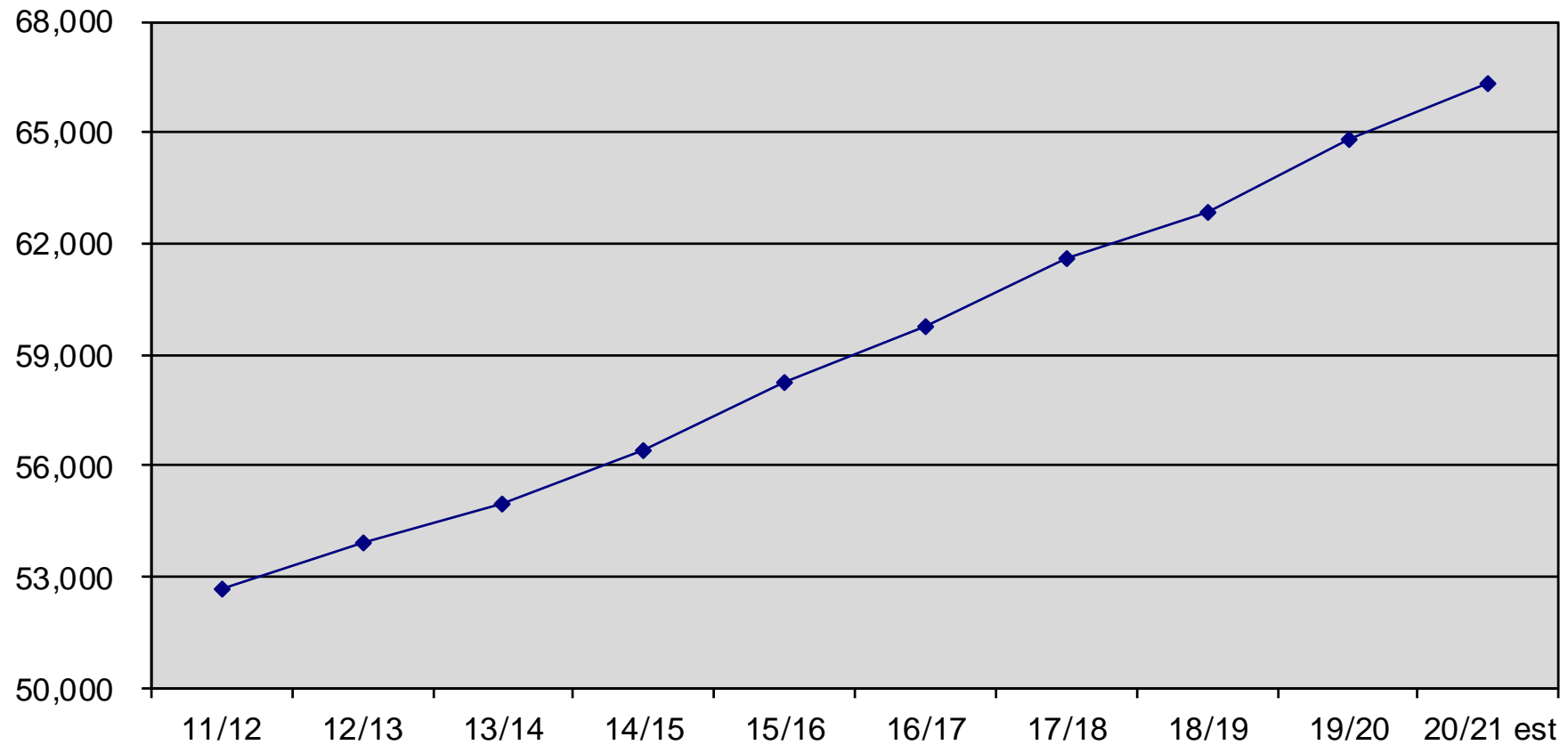
Year Ended 31-Aug	Actual Enrollment	Total Yearly Change	ADA Amount	Total Yearly Change	Percent (Decrease)	Percent of Enrollment
2011	51,170	1,541	47,888	1,613	3.5%	93.59%
2012	52,664	1,494	49,498	1,610	3.4%	93.99%
2013	53,934	1,270	50,465	967	2.0%	93.57%
2014	55,009	1,075	51,830	1,365	2.7%	94.22%
2015	56,363	1,354	53,165	1,335	2.6%	94.33%
2016	58,239	1,876	55,147	1,982	3.7%	94.69%
2017	59,764	1,525	56,653	1,506	2.7%	94.79%
2018	61,580	1,816	58,001	1,348	2.4%	94.19%
2019	62,837	1,257	59,356	1,355	2.3%	94.46%
2020	64,798	1,961	60,999	1,643	2.8%	94.14%
2021	66,298	1,500	62,453	1,454	2.4%	94.20%
Ten Year Average		1,515		1,471	2.77%	94.20%

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



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Enrollment Trend





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Tax Rate Terms

No-New-Revenue Tax Rate (formerly Effective Tax Rate)

Tax rate that would produce the same amount of tax revenue if applied to the same properties taxed in both years.

Rate to Maintain

Rate to maintain the same amount of state and local revenue per weighted student that the district received in the school year beginning in the preceding tax year.

Voter-Approval Tax Rate (formerly Rollback Rate)

The highest tax rate the district can adopt before requiring voter approval at an election.

Recapture (Robin Hood)

Current years increase in tax revenue generated from appraisal value growth all goes to the State of Texas not your local school district.



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Certified Property Values

Last 10 yr
Average
Increase
7.1%

Tax Year	Certified Value	Change in Certified Value	
		\$	%
2020	\$ 40,268,838,504	\$ 2,173,944,152	5.71%
2019	\$ 38,094,894,352	\$ 2,357,351,036	6.60%
2018	\$ 35,737,543,316	\$ 1,937,650,491	5.73%
2017	\$ 33,799,892,825	\$ 1,376,594,502	4.25%
2016	\$ 32,423,298,323	\$ 2,582,889,266	8.66%
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	\$ 1,831,798,239	8.30%
2012	\$ 22,077,072,916	\$ 1,086,730,457	5.18%
2011	\$ 20,990,342,459	\$ 717,354,839	3.54%



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Tax Rate Compression

- Per H.B. 3 - TEA calculates the District's M&O tax rate so that the District's local tax collections only increase by 2.5% year over year.

MCR = prior year compressed tax rate * (1.025 / local property value growth percentage)

- For Conroe ISD for TY 2020

MCR = \$0.9025



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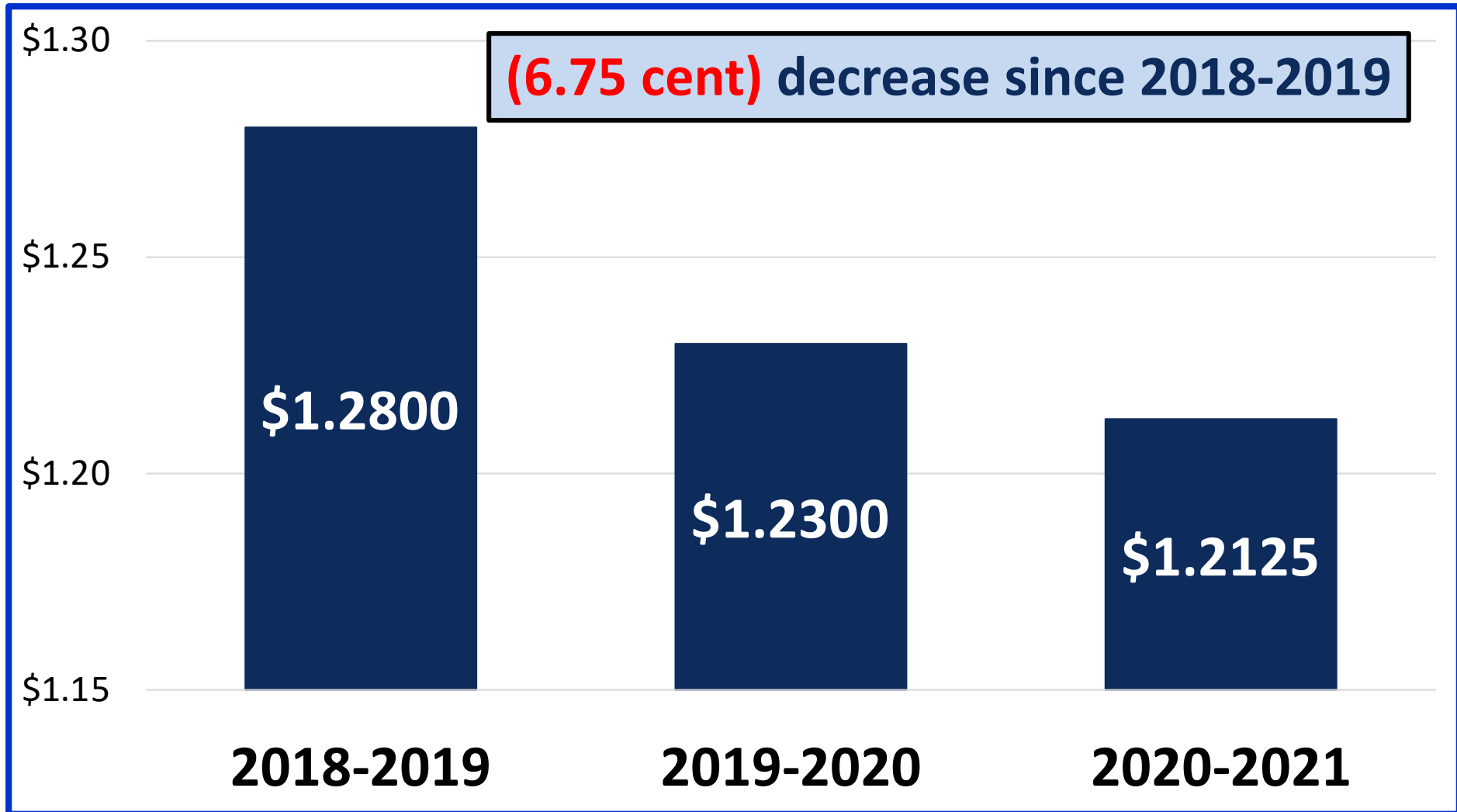
2020-2021 Proposed Tax Rate

		Tax Rate 2019-2020		Proposed Tax Rate 2020-2021		Increase <Decrease>
M & O		\$0.97		\$0.9525		(\$0.0175)
Debt		\$0.26		\$ 0.2600		-
Total		\$1.23		\$1.2125		(\$0.0175)



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Tax Rate History





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2020-2021 Funding Estimate/Robbin Hood

	Proposed Budget <u>5.71% AV Growth</u>	Example <u>0.00% AV Growth</u>
Tax Revenue Increase Compressed to 2.5%	\$ 14.18 M	\$ - M
State Revenue (1,500 Student Growth)	10.88	25.06
Investment Income	(1.73)	(1.73)
TRS In-Kind Funds	3.50	3.50
Total Estimated Available Funding	<u>\$ 26.83 M</u>	<u>\$ 26.83 M</u>



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Approved 2020-2021 Pay Plan (Cost of Living Increase)

Pay Group	General Pay Increase	Adjustments	Estimated Total Increase
Teachers, Librarians, Nurses , and Counselors, 3.0%	\$6,756,882	\$902,018	\$7,658,900
Administrative Education 2.5%	1,378,471	322,517	1,700,988
Administrative Business 2.5%	208,724	19,198	227,922
Administrative Support 3.5%	485,722	21,906	507,628
Instructional Support 3.5%	450,292	5,096	455,388
Auxiliary 3.5% Bus Drivers Flat \$1 (5.0%)	1,313,492	229,599	1,543,091
Police 5.0% + Certification Pay	226,951	175,000	401,951
	\$10,820,534	\$1,675,334	\$12,495,868
Less Retention Stipend			(5,000,000)
Total Cost			\$7,495,868



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Approved
2020-2021
Teacher Hiring
Schedule

Conroe ISD
2020-21 New Hire Guide for
Teachers, Librarians, and Nurses (RN)

Model 4: \$57,000 starting, 3.0% GPI

2019-2020 Years of Exp	2019-2020 New Hire Salary	3.0% General Pay Increase	+	Add'l Adj	=	2020-2021 Years of Exp	2020-2021 Approved New Hire Salary
0	\$55,500	+	\$ 1,800		=	1	\$57,300
1	\$55,700	+	\$ 1,800	\$ 150	=	2	\$57,650
2	\$55,950	+	\$ 1,800	\$ 200	=	3	\$57,950
3	\$56,150	+	\$ 1,800	\$ 300	=	4	\$58,250
4	\$56,350	+	\$ 1,800	\$ 900	=	5	\$59,050
5	\$56,550	+	\$ 1,800	\$ 950	=	6	\$59,300
6	\$57,490	+	\$ 1,800	\$ 300	=	7	\$59,590
7	\$57,870	+	\$ 1,800	\$ 200	=	8	\$59,870
8	\$58,245	+	\$ 1,800	\$ 100	=	9	\$60,145
9	\$58,470	+	\$ 1,800	\$ 400	=	10	\$60,670
10	\$58,770	+	\$ 1,800	\$ 400	=	11	\$60,970
11	\$59,070	+	\$ 1,800	\$ 400	=	12	\$61,270
12	\$59,470	+	\$ 1,800	\$ 300	=	13	\$61,570
13	\$59,970	+	\$ 1,800	\$ 100	=	14	\$61,870
14	\$60,470	+	\$ 1,800	\$ 200	=	15	\$62,470
15	\$60,971	+	\$ 1,800		=	16	\$62,771
16	\$61,470	+	\$ 1,800		=	17	\$63,270
17	\$61,970	+	\$ 1,800		=	18	\$63,770
18	\$62,470	+	\$ 1,800		=	19	\$64,270
19	\$62,970	+	\$ 1,800		=	20	\$64,770
20	\$63,470	+	\$ 1,800		=	21	\$65,270
21	\$63,970	+	\$ 1,800		=	22	\$65,770
22	\$64,470	+	\$ 1,800		=	23	\$66,270
23	\$65,070	+	\$ 1,800		=	24	\$66,870
24	\$65,570	+	\$ 1,800		=	25+	\$67,370
25+	\$66,070						



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2020-2021 Personnel Additions

CAMPUS POSITIONS	Elementary	Intermediate	Junior High	High School	Grand Total	Total Cost
Teachers	45.50	19.00	25.00	28.25	117.75	\$ 7,646,250
Contingency Teaching Positions	11.00	0.00	0.00	0.00	11.00	715,000
Other Professionals	0.00	0.00	5.00	3.00	8.00	555,000
Para-Professionals	57.00	6.00	4.50	2.00	69.50	1,390,000
Administrators	2.00	1.00	0.00	3.00	6.00	520,000
Total	115.50	26.00	34.50	36.25	212.25	\$ 10,826,250

SUPPORT POSITIONS	Operations	Administration	Grand Total	Total Cost
Professional	1.00	22.00	23.00	\$ 1,950,000
Para-Professional	2.00	8.00	10.00	325,000
Auxiliary	55.00	0.00	55.00	1,833,000
Total	58.00	30.00	88.00	\$ 4,108,000

Total FTE Change	300.25
Total Payroll Additions	\$ 14,934,250
Budget Adjustment	4,420,000
Total Budget increase	\$ 10,514,250



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Proposed Expenditure Budget Increase for 2020-2021

General Pay Increase less Retention Stipend	\$ 7.50 M
Substitute Pay Increase	0.30
Additional Personnel for Growth of 1,500 students	10.51
Other Expenses (Fuel, Utilities, Insurance, COVID)	2.85
TRS In-Kind	<u>3.50</u>
 Total Expenditures	 <u><u>\$ 24.66 M</u></u>



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2020-2021 Proposed Budget

Beginning Revenue		\$555.62 M
Estimated Revenue Change		
Local Revenue AV growth - 5.71% Tax rate - \$0.9525	\$14.18	
Net State Funding increase - 1,500 student growth	10.88	
TRS In-Kind	3.50	
Interest Revenue	(1.73)	
Total Revenue Increase	<u>26.83</u>	
Estimated Total Revenue		<u>\$582.45 M</u>
Beginning Expenditures (Amended)		\$552.33 M
Estimated Expenditure Increase		
General Pay Increase	7.50	
Substitute Pay Increase	0.30	
Additional Personnel for Growth 20-21 (1,500 new students)	10.51	
Other Expenses (Fuel, Utilities, Insurance, COVID)	2.85	
TRS In-Kind	<u>3.50</u>	
Total Estimated Expenditure Increase	<u>24.66</u>	
Estimated Total Expenditures		<u>\$576.99 M</u>
Potential Available Funds		<u>\$ 5.46 M</u>



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Proposal for Budget Surplus

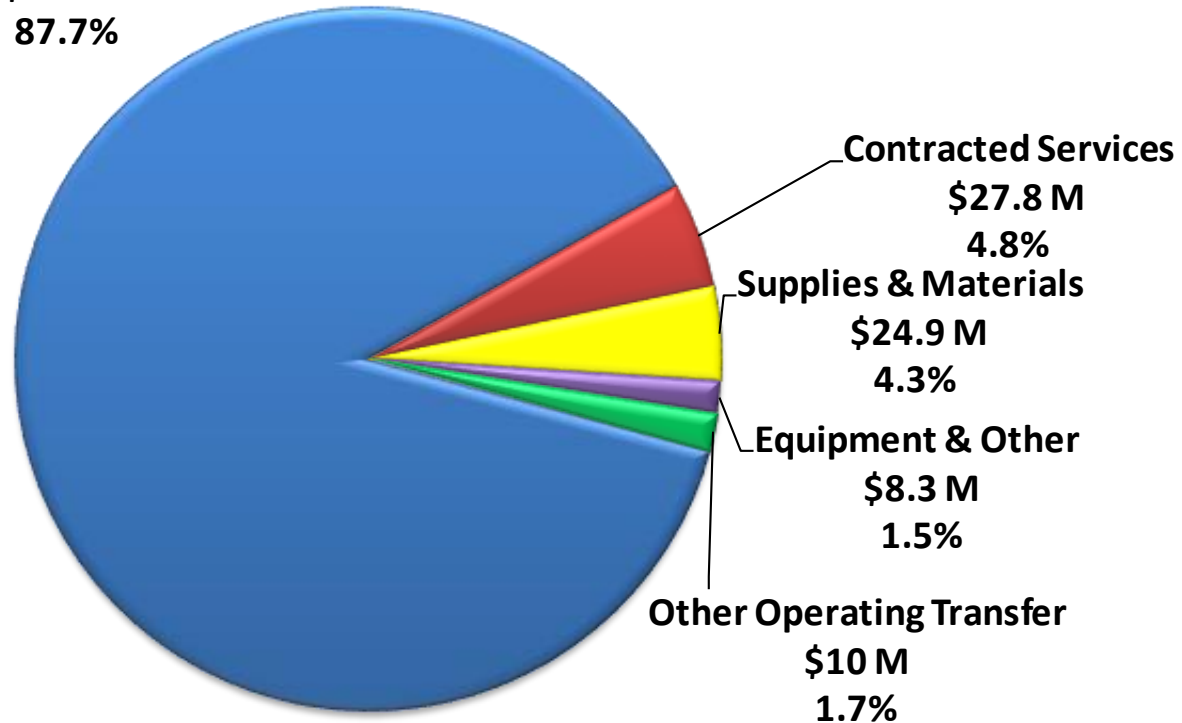
- Save the Surplus in the General Fund Balance to support the 2021-2022 budget. (Anticipated State Budget Short fall)
- Utilize the surplus to support capital maintenance fund, reduce bond debt requirements, and cover any unforeseen expenditures.



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2020-2021
Proposed Budget Summary

Payroll,
\$506 M
87.7%



- Payroll
- Contracted Services
- Supplies & Materials
- Equipment & Other
- Capital Maintenance Fund

2020-2021 Proposed Budget
\$576,990,426



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	General Operating Funds	Child Nutrition Funds	Debt Service Fund
<i>2019-20 Tax Rate</i>	\$ 0.9700		\$ 0.2600
<i>Tax Rate Change</i>	0.0175		-
<i>2020-21 Proposed Tax Rate</i>	\$ 0.9525		\$ 0.2600
Estimated Beginning Fund Balance	<u>\$ 145,690,916</u>	<u>\$ 1,211,851</u>	<u>\$ 20,032,539</u>
Estimated Revenue			
Local Revenues	390,060,686	7,829,900	104,898,980
State Funding	160,596,674	-	1,577,850
Federal Revenue	-	12,170,100	-
TRS In-Kind Funds	<u>31,800,000</u>	<u>-</u>	<u>-</u>
Total	<u>582,457,360</u>	<u>20,000,000</u>	<u>106,476,830</u>
Estimated Appropriations			
11 Instructional	362,878,566	-	-
12 Instructional Resources and Media Services	6,158,978	-	-
13 Staff Development	5,751,571	-	-
21 Instructional Administration	5,447,922	-	-
23 School Administration	35,437,365	-	-
31 Guidance and Counseling	18,720,725	-	-
32 Attendance and Social Work Services	801,850	-	-
33 Health Services	6,035,329	-	-
34 Pupil Transportation	29,797,370	-	-
35 Child Nutrition	-	18,451,000	-
36 Co-Curricular Activities	11,936,881	-	-
41 General Administration	9,174,541	-	-
51 Plant Maintenance and Operation	55,149,337	1,549,000	-
52 School Police	8,448,224.00	-	-
53 Technology	7,332,907	-	-
61 Community Service	18,860	-	-
71 Debt Service	-	-	101,755,566
81 Facilities Acquisition and Construction	-	-	-
99 Other Intergovernmental Charges	<u>3,900,000</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>566,990,426</u>	<u>20,000,000</u>	<u>101,755,566</u>
Other Uses	<u>10,000,000</u>	<u>-</u>	<u>-</u>
Total Expenditures and Other Uses	<u>576,990,426</u>	<u>20,000,000</u>	<u>101,755,566</u>
Estimated Ending Fund Balance	<u>\$ 151,157,850</u>	<u>\$ 1,211,851</u>	<u>\$ 24,753,803</u>



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What's Next

- Board Meeting – Tax Rate Adoption
- September 15, 2020



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Thank You