

318,000
30,000
404,188
76,681
7,024,466
431,087
234,370
170,112
2,072
<b>ADJUSTED TOTALS</b>
<b>Little Elm ISD</b>
Adjusted Totals
Value
533,875,047
293,500,000

# Little Elm ISD

## 2016 -17 Budget Presentation

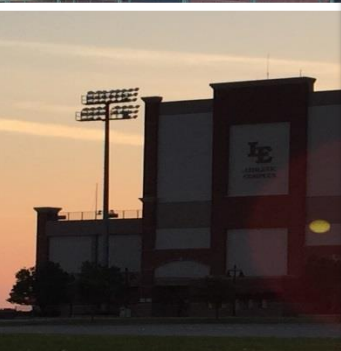
Grant Anderson, Assistant Superintendent of Finance and Operations

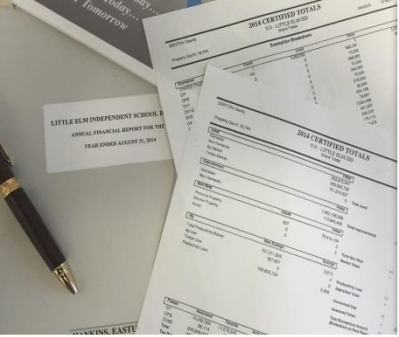
August 22, 2016  
6:00 PM

<b>HANKINS, EASTU</b>			
Freeze	Assessed	Taxable	Actual
DP	14,492,304		
DPS	89,114	11,578,345	
OV65	343,949,075	64	
Total			
Tax Rate	358		
3,808	Appraised Value		(-)
	Homestead Cap		=
	Assessed Value		(-)
	Total Exemptions Amount		=
	(Breakdown on Next Page)		(-)
			2,64

## Budget based on Current Tax Rate

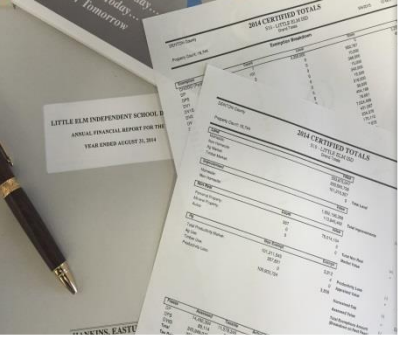
- In 2015-16, the Board of Trustees adopted a Maintenance and Operations (M&O) tax rate of \$1.17 and a debt service tax rate of \$.50 which required a Tax Ratification Election (TRE) AND... the Board of Trustees made a motion to decrease the debt service rate from \$.50 to \$.37 keeping LEISD's overall tax rate at \$1.54.
- The 2016-17 proposed budget is based on maintaining the M&O tax rate at \$1.17 and debt service tax rate at \$.37. This maintains the overall tax rate at \$1.54 for the 7<sup>th</sup> year in a row.
- Note: The passage of the TRE in 2015-16 added approximately \$4.3 million to the 2016-17 Maintenance and Operations estimated revenue.





# Budget Facts

- The 2016-17 M&O proposed budget is a balanced budget. The overall budget reflects a 14.2% increase from 2015-16's initial board approved budget.
- Little Elm ISD budgets to revenue
  - ✓ The state allocates funding based on a funding formula. This formula calculates how much state funding LEISD will receive.
  - ✓ LEISD is a fast growth school district and is under heavy budgetary pressures due to adding over 300+ new students each year. Over the past 3 years LEISD's student enrollment has increased approximately 870 students.
  - ✓ The proposed balanced budget is a product of ongoing instructional need assessment and prioritization.
  - ✓ One major decrease this year was at the Facilities Acquisition and Construction function level. Due to aging buildings and student growth, the district is projecting the need for future financing to construct new facilities, expansion, or renovations of current facilities.



# Budget Facts - Revenue

- 93% of LEISD's M&O revenue is generated from property tax collections and state funding formula.

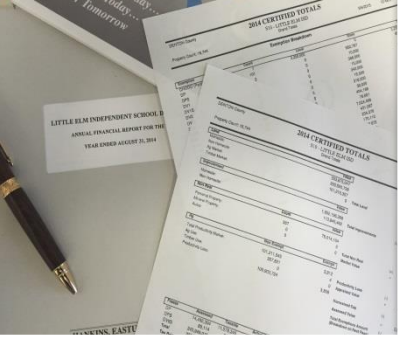
## Revenue drivers:

Property Values  
(\$2.4 to \$2.8 billion)

major factor – tax rate & collections

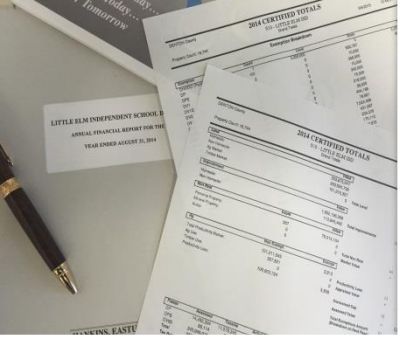
Enrollment  
(7,175 to 7,509 students)

major factor – state funding formula



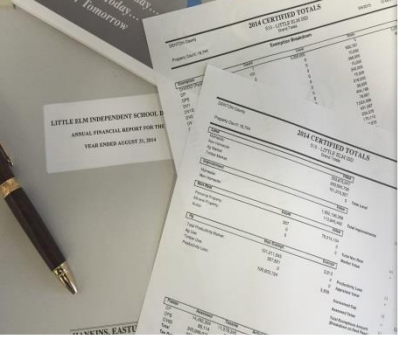
# Budget Facts - Appropriations

- 78% of LEISD's M&O appropriations are allocated for payroll costs.
- 80% of LEISD's M&O appropriations are budgeted at the school campus level.
- Administration and support service functions are held flat at 5% of total budget.
- Payroll and payroll related costs increased \$4.5 million from the 2015-16 initial budget. This is mainly due to:
  - ✓ 2015-16's 5% of actual salary increase after the initial budget
  - ✓ The additional \$1,200 per year health insurance contribution increase
  - ✓ The 2016-17 budget also includes 15 new board approved positions for the 2016-17 school year.



# Budget Facts - Appropriations

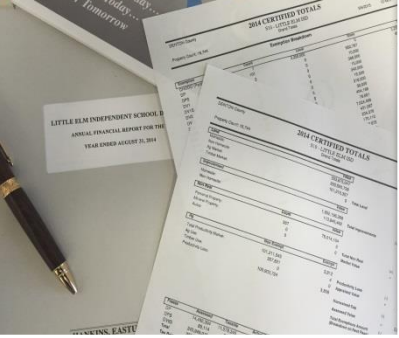
- Professional and Contracted Services increased \$1.5 million from budget increases for contracts including Security Resource Officers, outsourcing grounds keeping, bus transportation, and utilities.
- Supplies and Materials budget increased \$1 million for items such as replacement of staff computers at the campus level, computer supplies, and equipment.
- Other Operating Costs increased \$700 thousand dollars for costs associated with the one-to-one student insurance initiatives, area/state travel for UIL, and employee travel for professional learning opportunities.



# Budget Facts – Major Key Indicator

Major Key Indicator: Major revenue to Payroll ratio

- ✓ Major Revenue: 93% of LEISD's M&O revenue is generated from property tax collections and state funding formula.
- ✓ Major Cost: 78% of LEISD's M&O appropriations are allocated for payroll costs.



# Budget Facts – Budgeting to Revenue

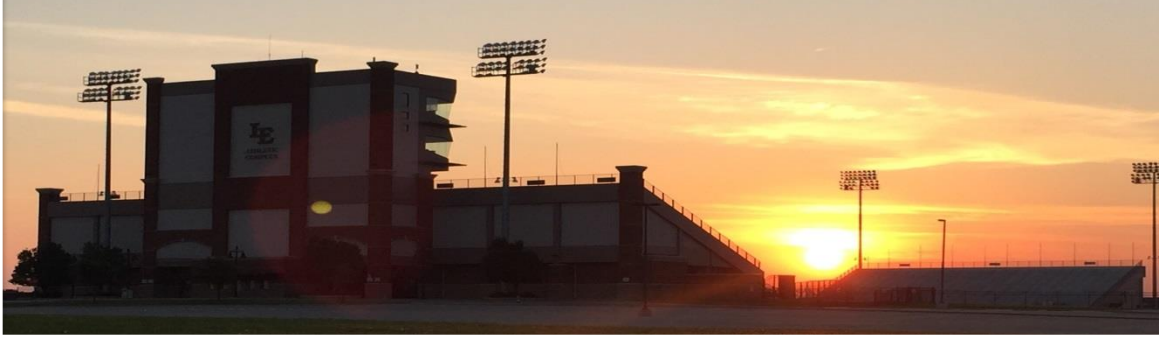
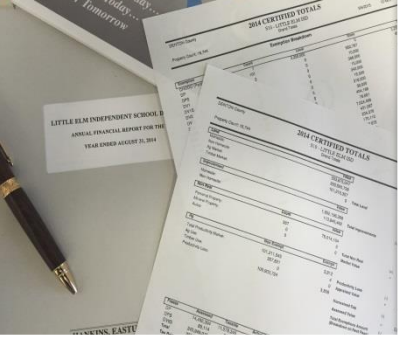
Historical Key Indicator: LEISD's Major Revenue to payroll.



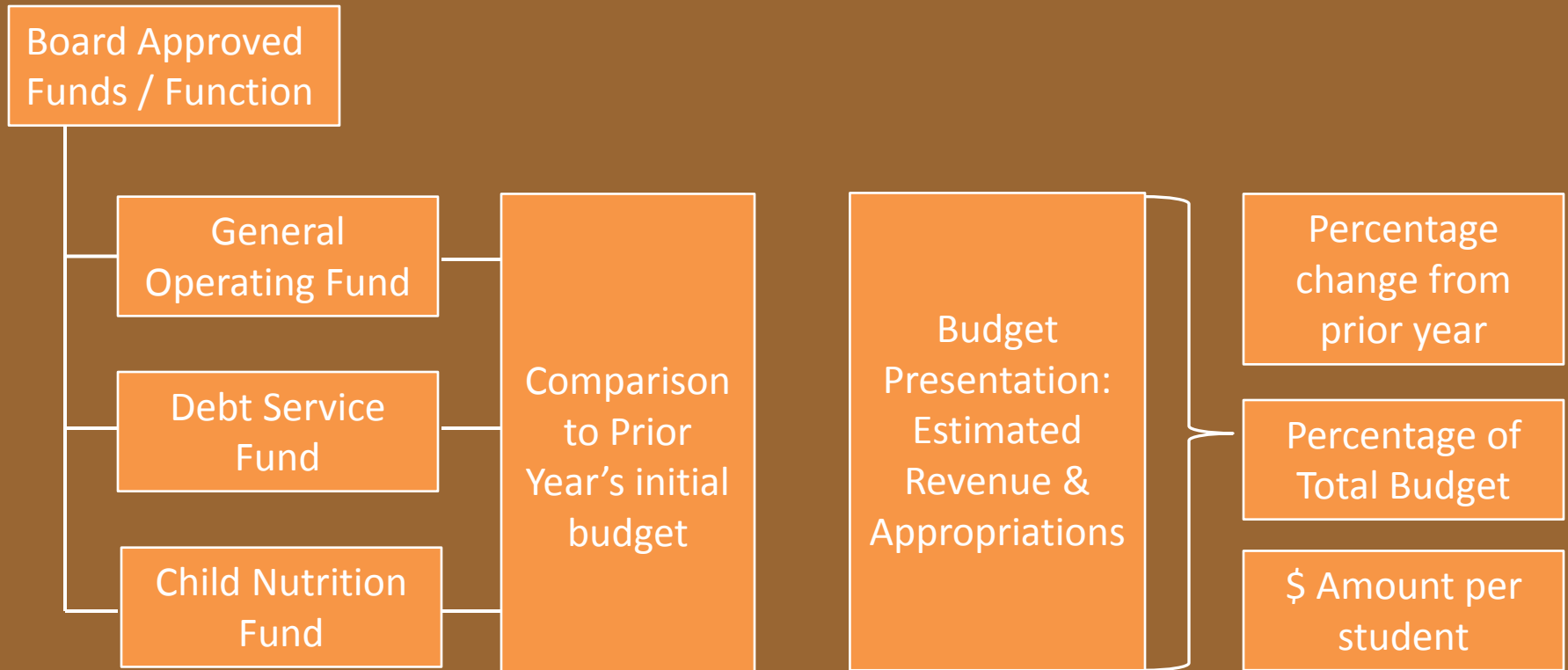
	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Budget	2016-17 Budget
Payroll to Major Revenue	83.82%	79.52%	76.22%	79.46%	79.7%
Budgetary Surplus/(Deficit)	(\$1.6 million)	*(\$1.7 million)	1.6 million	(\$970 thousand)	-\$0-

\*2013-14 backing out insurance recovery and tax maintenance note as other revenue source.





# Budget Map



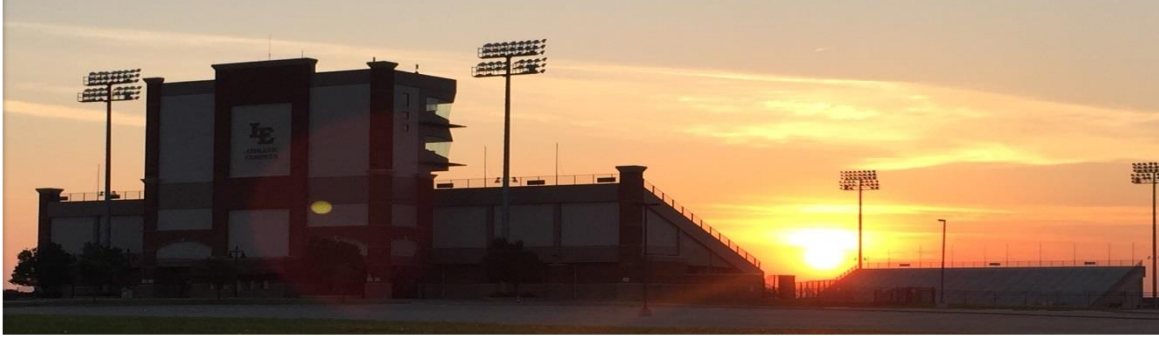
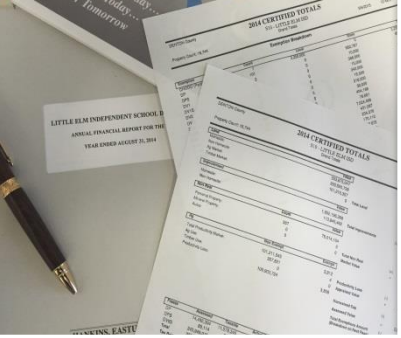
Presentation: Budget presented in millions and comparative data is to the initial 2015-16 budget



## Board Approved Funds / Function

The following funds are required to be approved by the Board of Trustees at the function level (Section 44.0041 Education Code & Texas Education Agency Financial Accountability Resource Guide, Budgeting Legal Requirements 2.6):

- General Fund (1xx): to account for general operating proceeds and expenditures.
- Debt Service Fund (5xx): to account for the payment of general long-term debt.
- Child Nutrition Fund (240): to account for resources and expenditures for LEISD's federal child nutrition program.
- Function Level Expenditures: to classify and identify the purpose of the expenditure. (example: function 11 is to identify expenditures directly related to the instruction of a student)



General Operating Fund

Total Revenue, Expenditures, & Change in Fund Bal (FB)	2015-16 Initial Approved Budget	2016-17 Proposed Budget	Change from Prior Year's Initial Budget
Estimated Revenue	\$54	\$62	\$8
Appropriations (Expenses)	\$54	\$62	\$8

Major reasons for changes from prior year:

Revenue increased \$8 million from 2015-16 initial budget mainly due to the increase in property tax collections from the passage of the Tax Ratification Election and increasing property values.

Appropriations increased mainly due to:

Increase in employee costs from 2015-16 initial budget.

Note: Change from Prior Year's final amended budget is flat. Prior Year's final amended estimated revenue is \$62 million.

# General fund revenue

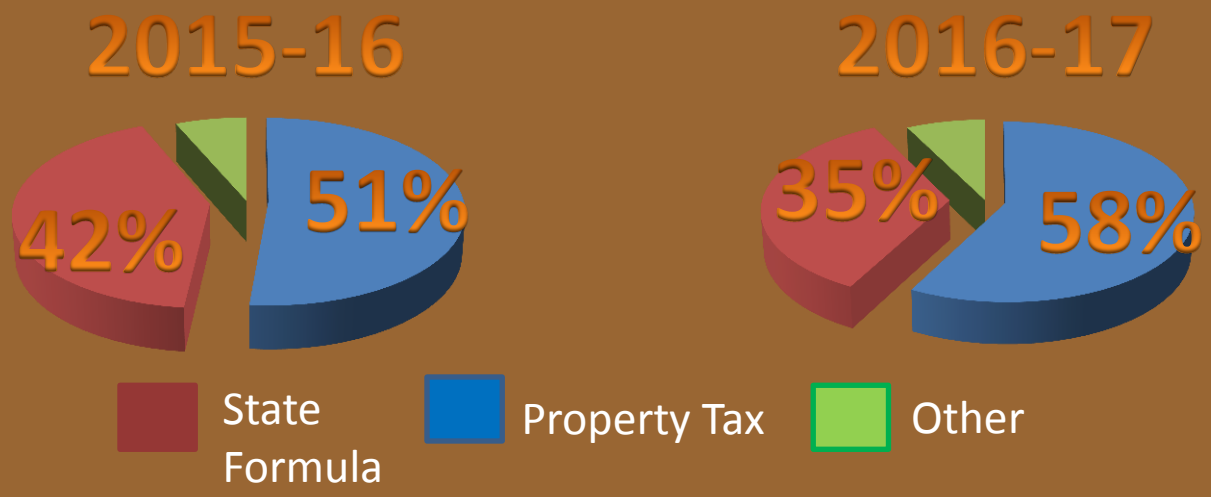
Total Revenue by Source	2015-16 Initial Budget	%	*\$ per Student 7,175	2016-17 Proposed Budget	%	\$ per Student 7,509	% Chg
Local	\$28.6	52.9%	\$3,978	\$36.2	58.8%	\$4,828	27.0%
State	\$25.1	46.5%	\$3,502	\$24.2	39.2%	\$3,218	-3.9%
Federal	\$.3	.6%	\$45	\$1.3	2%	\$166	284%
Total	\$54	100%	\$7,525	\$61.7	100%	\$8,212	14.2%

- Local revenue increased \$7.7 million from TRE & property tax revenue.
- State revenue decreased 3.9% from prior year's initial budget due to a decrease in estimated revenue from state funding formula.
- Federal revenue in the general fund increased approximately \$925,000.
- Overall revenue increased \$7.7 million or 14.2% from PY's initial estimate of \$54 million to 2016-17 proposed estimate of \$61.7.

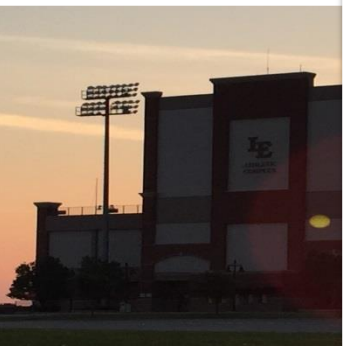


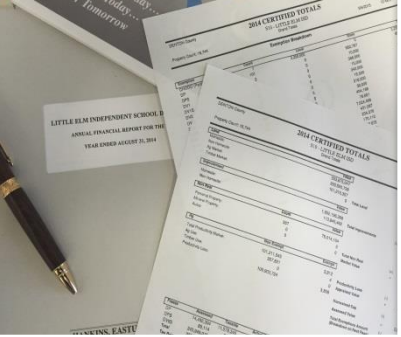
# General fund revenue source

Major Revenue	2015-16 Initial Approved Budget	2016-17 Proposed Budget	Change
State Formula	\$22.6	\$21.5	(\$1.1)
Property Tax	\$27.8	\$35.6	\$7.8
Other	\$3.5	\$4.6	\$1.1
<b>Total Revenue</b>	<b>\$54</b>	<b>\$61.7</b>	<b>\$7.7</b>



Approximately 93% of LEISD's general fund revenue is generated from Property Taxes and State funding formula.

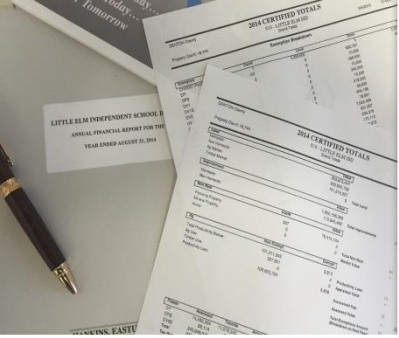




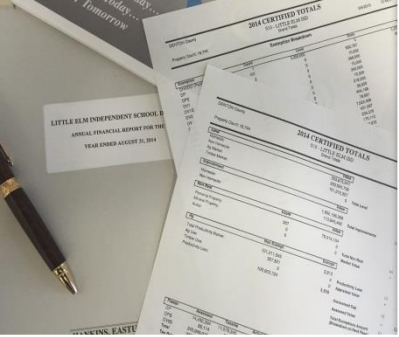
General Fund Expenditures by Function Category	2015-16			2016-17			% Chg
	Initial Budget	%	\$ per Student 7,175	Proposed Budget	%	\$ per Student 7,509	
1x Instructional	\$33	61%	\$4,599	\$38	61%	\$5,022	14.3%
2x School Leadership	\$4.7	9%	\$653	\$5.4	9%	\$722	16%
3x Student Services	\$5.2	10%	\$730	\$5.8	10%	\$778	11.5%
4x Admin Services	\$2.4	4%	\$338	\$2.8	5%	\$384	18.7%
5x Support Services	\$7	13%	\$970	\$8.2	13%	\$1,096	18%
6x Community Services	\$.04	-	\$5	\$.04	-	\$5	-
7x Debt Services	\$.9	2%	\$119	\$1.2	2%	\$160	41.5%
8x Capital Outlay	\$0.5	1%	\$70	\$0	0%	\$0	-
9x Intergovernmental	\$.3	-	\$40	\$.3	-	\$43	11.2%
<b>Total Appropriations</b>	<b>\$54</b>	<b>100%</b>	<b>\$7,525</b>	<b>\$61.7</b>	<b>100%</b>	<b>\$8,211</b>	<b>14.2%</b>

80%

80%



General Fund Expenditures by Object	2015-16		\$ per Student 7,175	2016-17		\$ per Student 7,509	% Chg
	Initial Budget	%		Proposed Budget	%		
61xx Payroll	\$43.7	81%	\$6,093	\$48.2	78%	\$6,413	10%
62xx Contracted Services	\$5.8	11%	\$806	\$7.3	12%	\$970	26%
63xx Supplies & Materials	\$2	4%	\$279	\$3	5%	\$408	53%
64xx Other Operating	\$.9	2%	\$123	\$1.6	3%	\$222	89%
65xx Debt Payments	\$.8	1%	\$119	\$1.2	1.5%	\$161	41%
66xx Capital Outlay	\$.8	1%	\$106	\$.3	.5%	\$37	-63%
<b>Total Appropriations</b>	<b>\$54</b>	<b>100%</b>	<b>\$7,525</b>	<b>\$61.7</b>	<b>100%</b>	<b>\$8,211</b>	<b>14%</b>

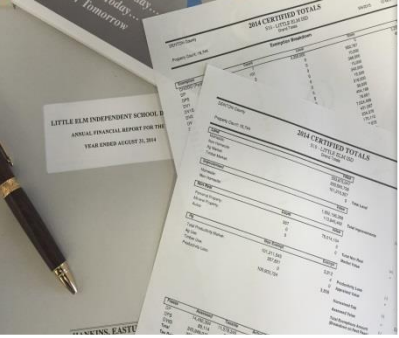


Debt Service Fund

<b>Debt Service Fund Revenue &amp; Expenditures</b>	<b>2015-16 Initial Budget</b>	<b>\$ per Student 7,175</b>	<b>2016-17 Proposed Budget</b>	<b>\$ per Student 7,509</b>	<b>% Chg</b>
Total Revenue	\$13.7	\$1,909	\$11.5	\$1,531	-16.1%
71 Debt Service Pmts	\$11.4	\$1,591	\$12.1	\$1,610	5.9%
Budgeted Surplus/(deficit)	\$2.3	-	-\$.6	-	-

- 2015-16 Outstanding debt: \$138,254,144 = \$18,960 per student
- 2016-17 Outstanding debt: \$150,007,748 = \$19,980 per student; Increased is due to sale of \$21 million authorized bond from the 2002 bond election





Child Nutrition Fund

<b>Child Nutrition Fund Revenue &amp; Expenditures</b>	<b>2015-16 Initial Budget</b>	<b>\$ per Student 7,175</b>	<b>2016-17 Proposed Budget</b>	<b>\$ per Student 7,509</b>	<b>% Chg</b>
Local Revenue	\$1.2	\$170	\$1.4	\$188	15.5%
Federal Revenue	\$1.8	\$252	\$2.1	\$275	14.1%
35 CN Expenditures	\$3.0	\$425	\$3.5	\$466	14.7%
Budgeted Surplus/(deficit)	\$0	-	\$0	-	-

- 2015-16 Free & reduced student eligibility: 45% or 3,899 children
- 2016-17 Free & reduced student eligibility: 44% or 3,334 children

**LITTLE ELM INDEPENDENT SCHOOL DISTRICT**  
**2016-17 Fiscal Year**  
**Combined Funds**  
**2016-17 Board Proposed Budget**

		General Fund	Student Nutrition Fund	Debt Service Fund	Combined Total
<b>Estimated Revenue</b>					
5700	Local Revenue	36,246,174	1,411,500	11,495,272	49,152,946
5800	State Revenue	24,159,105	19,000	0	24,178,105
5900	Federal Revenue	1,250,000	2,067,677	0	3,317,677
<b>Total Revenue</b>		<b>61,655,279</b>	<b>3,498,177</b>	<b>11,495,272</b>	<b>76,648,728</b>
<b>Appropriations</b>					
11	Instructional	35,957,335			35,957,335
12	Instructional Resources & Media Services	656,534			656,534
13	Curriculum & Instructional Staff Development	1,098,750			1,098,750
21	Instructional Leadership	1,231,317			1,231,317
23	School Leadership	4,190,966			4,190,966
31	Guidance, Counseling, & Evaluation Services	1,744,670			1,744,670
32	Social Work Services	31,000			31,000
33	Health Services	537,190			537,190
34	Student (Pupil) Transportation	1,759,449			1,759,449
35	Food Services	91,524	3,498,177		3,589,701
36	Cocurricular/Extracurricular Activities	1,680,284			1,680,284
41	General Administration	2,881,746			2,881,746
51	Plant Maintenance & Operations	6,307,699			6,307,699
52	Security and Monitoring Services	690,832			690,832
53	Data Processing Services	1,229,307			1,229,307
61	Community Services	39,290			39,290
71	Debt Services	1,204,886		12,089,693	13,294,579
81	Facilities	0			0
95	Payments to JJAEP	▼ 36,000	▼	▼	▼ 36,000
99	CAD Appraisal Fees	▼ 286,500	▼	▼	▼ 286,500
<b>Total Appropriations</b>		<b>61,655,279</b>	<b>3,498,177</b>	<b>12,089,693</b>	<b>77,243,149</b>
<b>Net Surplus/(Deficit)</b>		<b>0</b>	<b>0</b>	<b>-594,421</b>	<b>-594,421</b>