



Proposed Budget

June 12, 2017



Agenda

- Budget Development Process Review
- Funds:
 - Child Nutrition Fund
 - Debt Service Fund
 - Operating Fund
- Benchmark Data
- Multi-year Financial Plan
- Tax Rates

**Demographer
Presentation**
Jan 9

**Enrollment
Growth
Presentation**
Feb 13

**Special
Education
Presentation**
March 6

**Athletics
Presentation**
March 20

**HR
Presentation**
May 1

**Critical Needs
Presentation**
May 1

Budget Presentations to the Board of Trustees

April 3, April 10, Feb 6, March 6, March 20, May 1, May 8

Prioritization of Needs with Staff

February – May

Approval of Proposed Expenditures

May 15

ADOPT 2017-2018 BUDGET



2017-2018 Richardson ISD Budget

Key Factors

Key District Priority Needs
(Special Education, Athletics,
Student Growth, Secondary
Staffing, Et al.)

Basic Allotment has not changed since
2015-2016 and is not adequate to meet
current needs

Property value is growing at a higher
pace than enrollment (shifting burden
to taxpayers)

Enrollment is increasing; however,
our combined revenue (local and
state) is decreasing

Short-Term Situation

Decrease in
Fund Balance =
\$6,330,970

Long-Term Situation

Unsustainable Future Projections

Aggressive Strategic Plan Needed
for Long-Term Solution

Adoption of the Budget 2017-2018

Child
Nutrition
Fund

Debt
Service
Fund

Operating
Fund



Child Nutrition Fund





**RICHARDSON INDEPENDENT SCHOOL DISTRICT
 PROPOSED BUDGET - CHILD NUTRITION FUND
 FISCAL YEAR 2017-18**

	2016-17		2017-18		
	<u>Adopted</u>	<u>Increases</u>	<u>Proposed</u>	<u>Percent of</u>	<u>Percentage</u>
	<u>Budget</u>	<u>(Decreases)</u>	<u>Budget</u>	<u>Total</u>	<u>Change</u>
Revenue					
5751 Cafeteria Sales	5,074,856	(169,302)	4,905,554	28.49%	(3.34%)
5742 Investment Income	15,000	(10,381)	4,619	0.03%	(69.21%)
5829 State Reimbursements	88,186	(186)	88,000	0.51%	(0.21%)
5920 Federal Reimbursements	12,028,464	191,950	12,220,414	70.97%	1.60%
Total Revenue	17,206,506	12,081	17,218,587	100.00%	0.07%

Expenditures					
35 Food Service					
Payroll	6,956,888	132,338	7,089,226	41.17%	1.90%
Contracted Services	342,276	20,000	362,276	2.10%	5.84%
Materials & Travel	9,591,176	(28,176)	9,563,000	55.54%	(0.29%)
Capital Outlay	165,000	(114,950)	50,050	0.29%	(69.67%)
51 Plant Maintenance & Operations					
Payroll	146,166	5,369	151,535	0.88%	3.67%
61 Community Service					
Payroll	5,000	(2,500)	2,500	0.02%	(50.00%)
Total Expenditures	17,206,506	12,081	17,218,587	100.00%	0.07%



Debt Service Fund

Debt Service Fund Considerations

- Principal and Interest Payments of \$72,114,550
- Total Outstanding Debt Principal of \$607,529,992
- 2016 Voted Authorization of \$437,000,000
 - Issued \$84,000,000 in June 2016
 - Issued \$225,000,000 in May 2017
 - Remaining Unissued Bonds of \$128,000,000 expected to be issued in October 2018
- I&S Tax Rate of \$0.35



**RICHARDSON INDEPENDENT SCHOOL DISTRICT
 PROPOSED BUDGET - DEBT SERVICE FUND
 FISCAL YEAR 2017-2018**

		2016-17		2017-18		
		Adopted	Increases	Proposed	Percent of	Percentage
		<u>Budget</u>	<u>(Decreases)</u>	<u>Budget</u>	<u>Total</u>	<u>Change</u>
Local Sources:						
71-5711	Property Taxes-Current Yr	\$ 63,241,648	\$ 7,366,763	\$ 70,608,411	97.8%	11.6%
71-5712	Property Taxes-Prior Yrs	300,000	-	300,000	0.4%	0.0%
71-5719	Penalty & Interest	300,000	(100,000)	200,000	0.3%	-33.3%
97-5746	Property Taxes-TIF	400,000	-	400,000	0.6%	0.0%
	Total Property Taxes	64,241,648	7,266,763	71,508,411	99.1%	11.3%
5742	Investment Earnings	35,000	-	35,000	0.0%	0.0%
	Total Other Local Revenue	35,000	-	35,000	0.0%	0.0%
Total Local Sources		64,276,648	7,266,763	71,543,411	99.1%	11.3%
State Sources:						
71-5829	State Program Revenues Distributed by TEA	-	667,501	667,501	0.9%	100.0%
Total State Sources		-	667,501	667,501	0.9%	100.0%
Total Revenue		\$ 64,276,648	\$ 7,934,264	\$ 72,210,912	100.0%	12.3%
Debt Service Requirements						
71-6500	Principal on long-term Debt	42,604,995	465,005	43,070,000	59.2%	1.1%
72-6500	Interest on long-term Debt	21,674,620	7,369,930	29,044,550	39.9%	34.0%
73-6500	Bond Issuance Cost and Fees	40,900	159,100	200,000	0.3%	389.0%
97-6499	TIF Payments	400,000	-	400,000	0.6%	0.0%
Total Debt Service Requirements		\$ 64,720,515	\$ 7,994,035	\$ 72,714,550	100.0%	12.4%
Decrease in Fund Balance		\$ (443,867)		\$ (503,638)		



Operating Fund

Operating Fund Considerations

- Elementary Allocations \$1,383,836
- Secondary Allocations \$1,195,114
- Special Education Allocations \$1,984,177
- Athletics Allocations \$398,534
- Central Curriculum & Instruction \$334,816
- Maintenance & Operations Allocations \$357,318
- Current Commitments \$4,433,604
- One-Time Expenditures \$270,000
- 3% Raise for All Staff \$6,850,000
- M&O Tax Rate of \$1.04



Critical Needs/Operating Fund Highlights

Elementary - \$1,383,836

- 10.5 Classroom Teachers
- 3 ESL Teachers
- 4 Assistant Principals
- 2 Counselors
- 2 Instructional Coaches

Secondary - \$1,195,114

- 15 Classroom Teachers
- 6 Teachers - MPA & Health Science
- 2.5 Assistant Principals

Special Student Services – \$1,984,177

- 20 Special Education Teachers
- 2 Dyslexia Teachers
- 9.5 Diag / LSSP / SLP

Central Curriculum & Ins - \$334,534

- 2 Secondary C&I Directors
- 1 Director Student Welfare
- SLO Project Lead

Maintenance & Operations - \$357,318

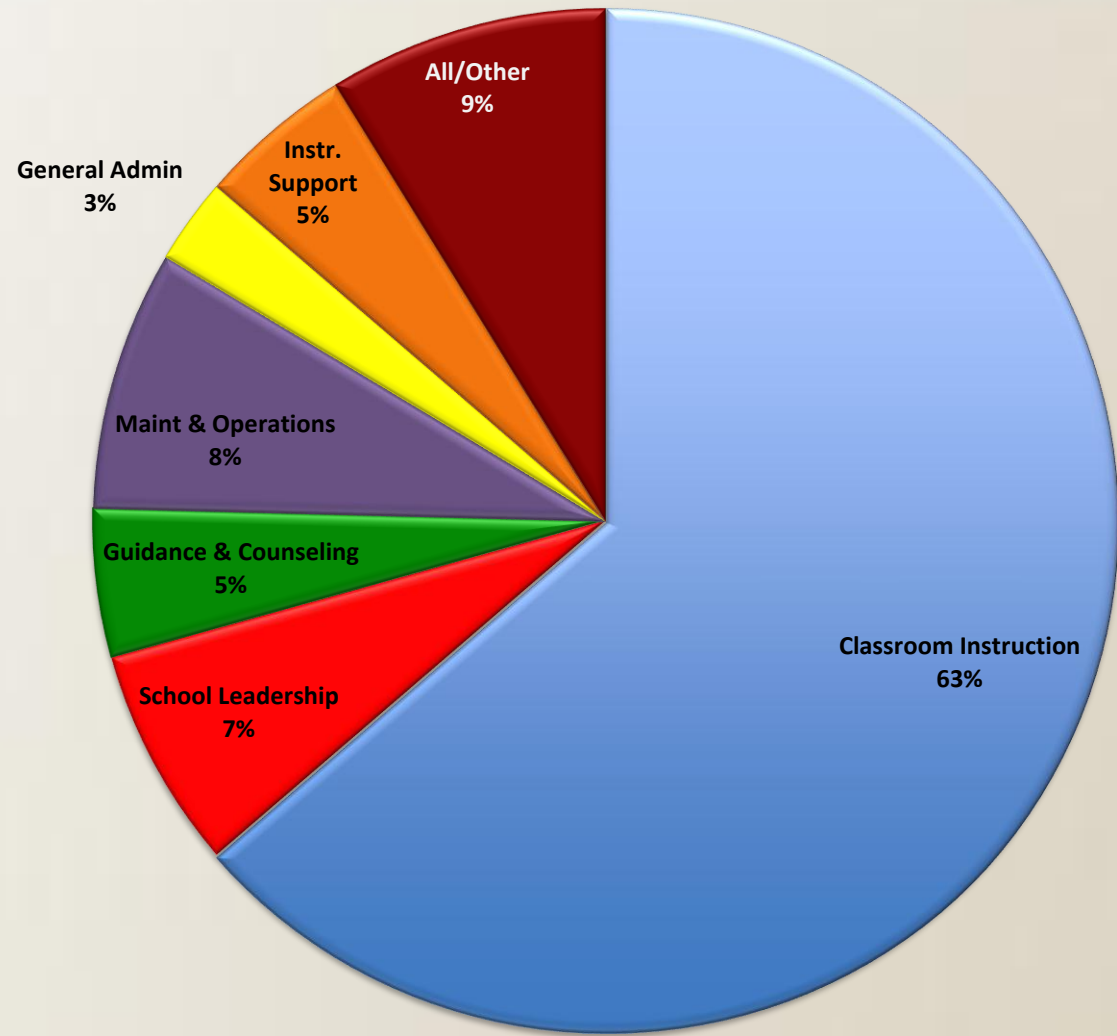
- 3 Journeyman
- 1 Roofing Technician
- 1 Security Guard

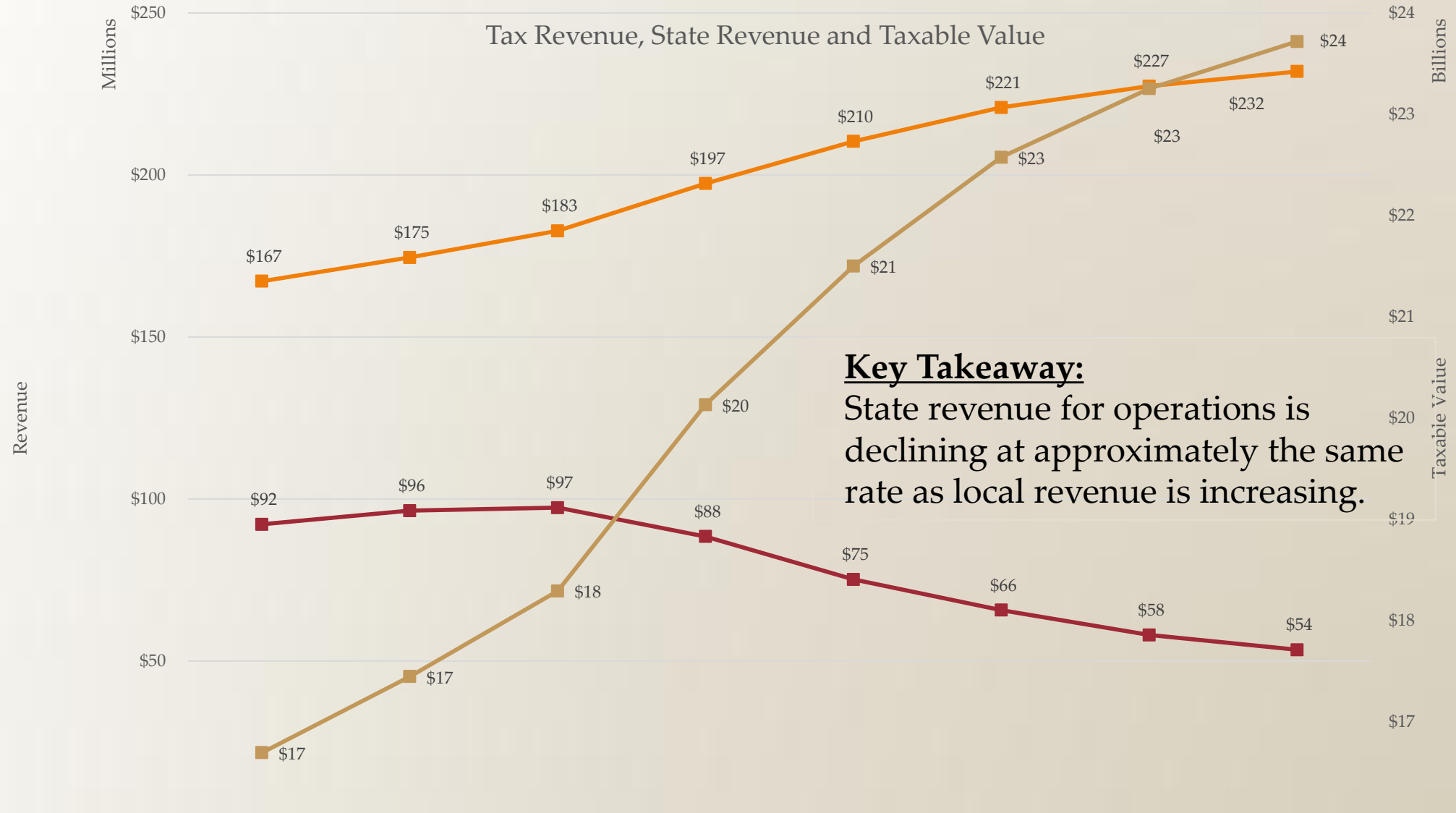
Athletics – \$398,534

- 4 HS Coaches/Teachers
- JH Athletic Scheduling

3% Raise for All Staff - \$6,850,000

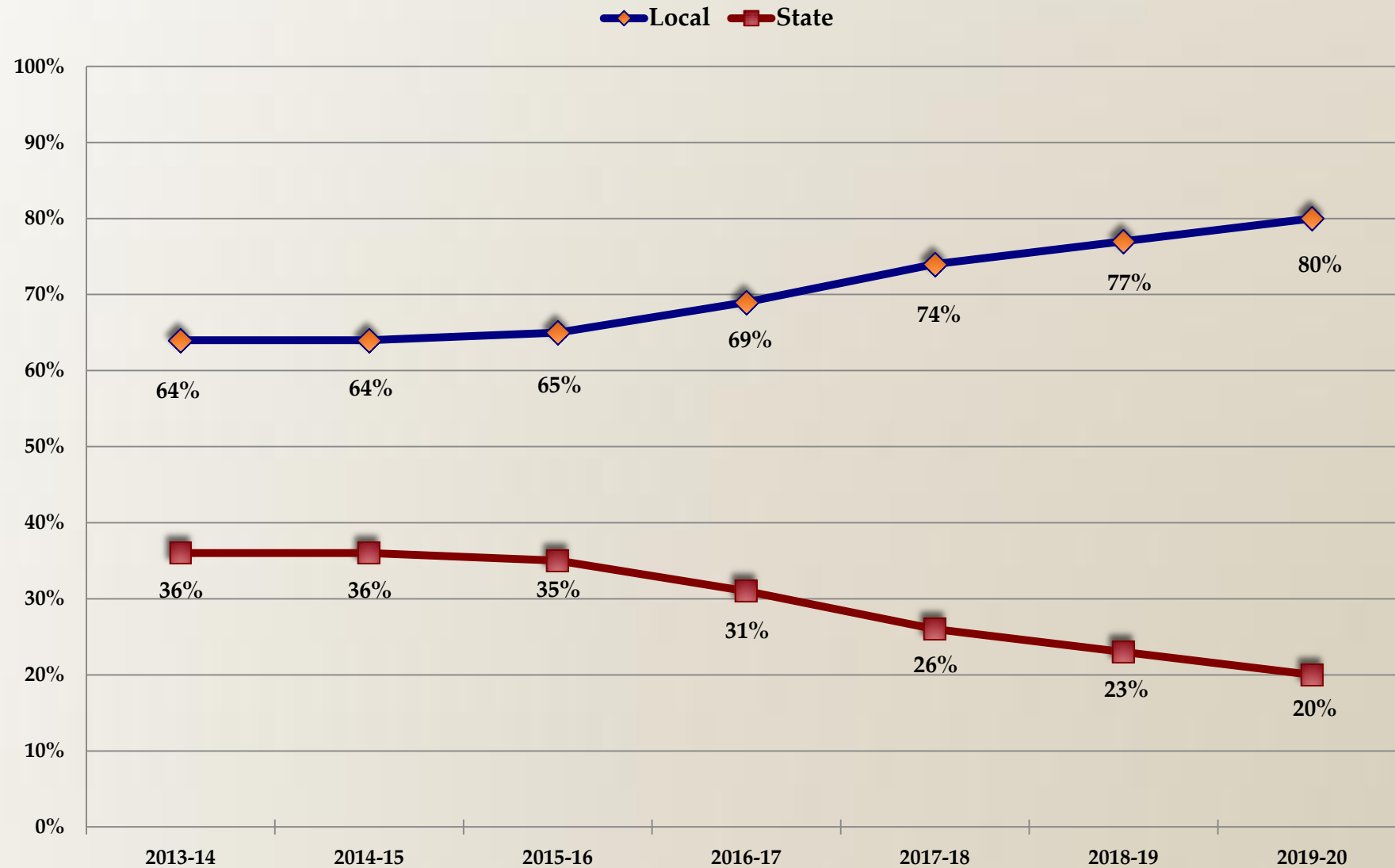
2017-18 Expenditures Analysis



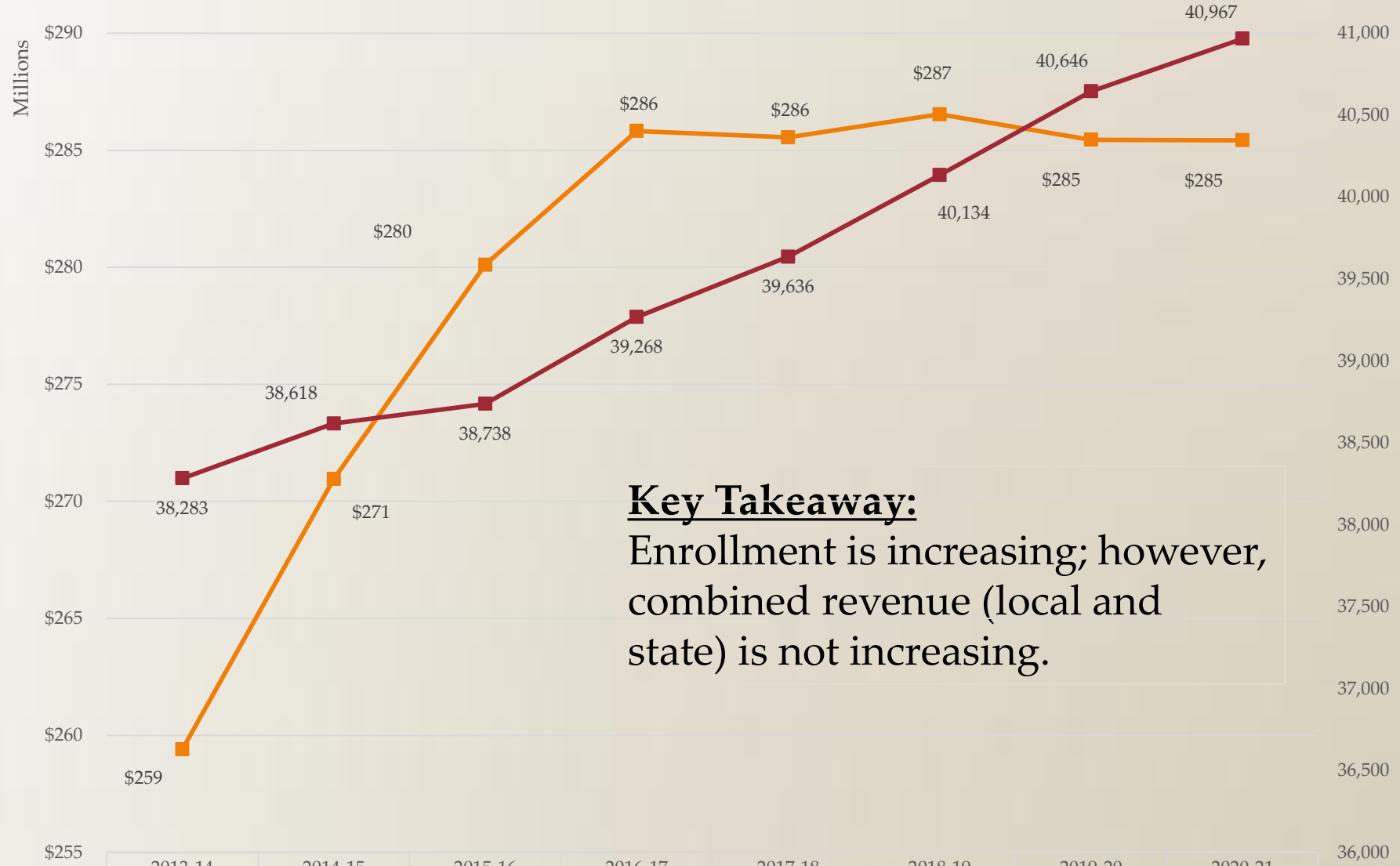


	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Tax Revenue	\$167,207,675	\$174,541,143	\$182,753,747	\$197,372,449	\$210,336,784	\$220,803,624	\$227,397,732	\$231,925,687
State Revenue	\$92,197,332	\$96,409,340	\$97,355,167	\$88,453,253	\$75,214,524	\$65,736,792	\$58,052,436	\$53,504,972
Taxable Value	\$16,695,240,343	\$17,447,178,764	\$18,291,885,506	\$20,131,297,435	\$21,499,828,255	\$22,574,819,668	\$23,252,064,258	\$23,717,105,543

Comparison of Percentage of Local vs. State Funding



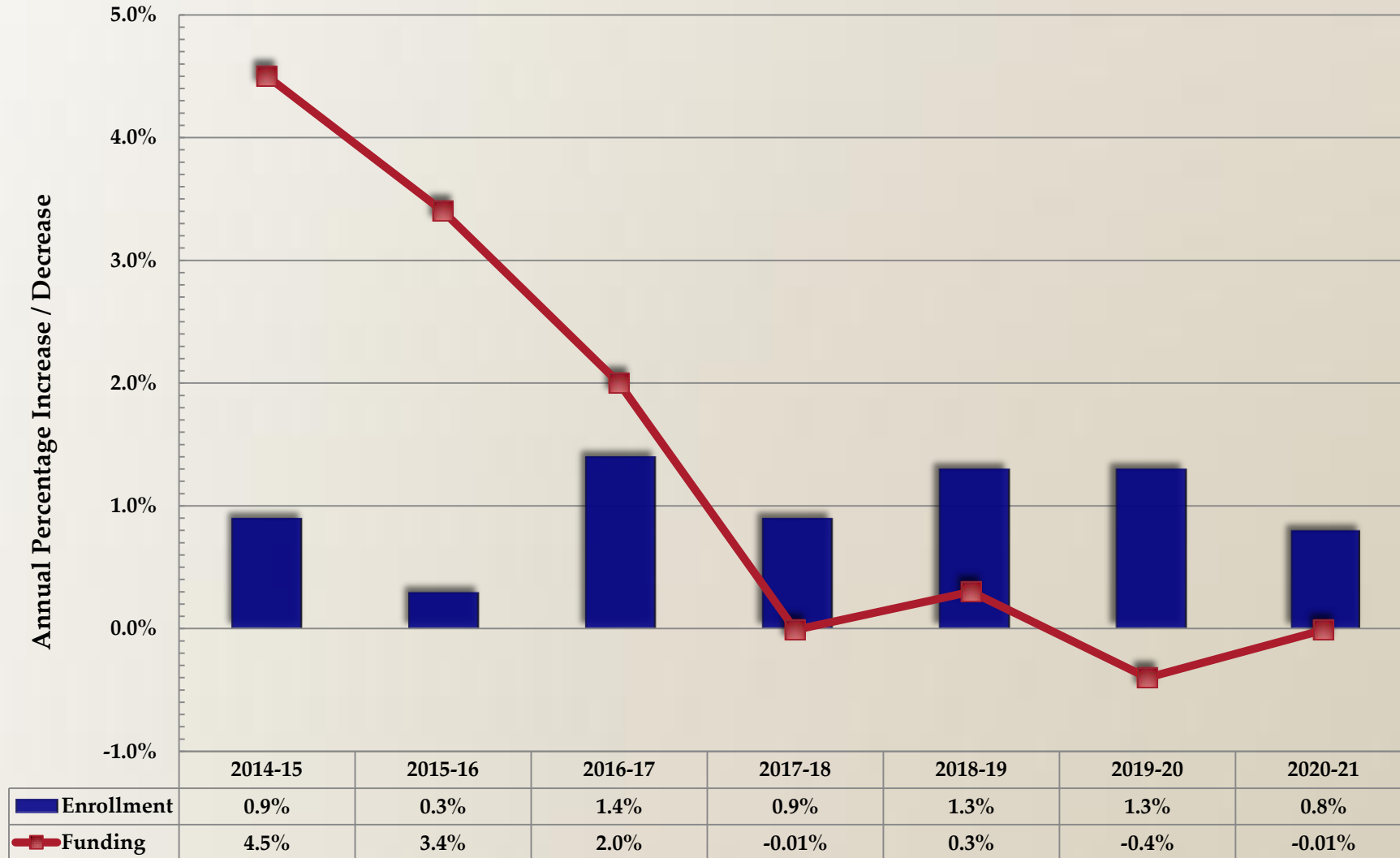
Tax & State Revenue and Enrollment



Key Takeaway:
 Enrollment is increasing; however, combined revenue (local and state) is not increasing.

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
— Tax and State Revenue	\$259,405,007	\$270,950,483	\$280,108,914	\$285,825,702	\$285,551,308	\$286,540,416	\$285,450,168	\$285,430,659
— Enrollment	38,283	38,618	38,738	39,268	39,636	40,134	40,646	40,967

Funding and Enrollment Growth Trends (Percent Increase/Decrease vs. Prior Year)





**RICHARDSON INDEPENDENT SCHOOL DISTRICT
 PROPOSED BUDGET - OPERATING FUND
 FISCAL YEAR 2017-18**

	2016-17 Adopted Budget	Increases (Decreases)	2017-18 Proposed Budget	Percent of Total	Percentage Change
Estimated Revenues					
Local Revenue	\$ 197,831,848	\$ 21,427,317	\$ 219,259,165	69.63%	10.83%
State Revenue	101,984,265	(10,533,285)	91,450,980	29.04%	(10.33%)
Federal Revenue	3,273,315	926,685	4,200,000	1.33%	28.31%
Total Revenues	<u>\$ 303,089,428</u>	<u>\$ 11,820,717</u>	<u>\$ 314,910,145</u>	100.00%	3.90%
Appropriations					
00 - Transfers	\$ -	\$ 1,000,000	\$ 1,000,000	0.31%	100.00%
11 - Instruction	195,600,304	8,881,702	204,482,006	63.67%	4.54%
12 - Library & Media Services	5,447,021	(18,480)	5,428,541	1.69%	(0.34%)
13 - Curriculum/Instructional Staff Development	4,410,246	625,066	5,035,312	1.57%	14.17%
21 - Instructional Administration	4,720,970	680,959	5,401,929	1.68%	14.42%
23 - School Leadership	21,419,270	1,137,557	22,556,827	7.02%	5.31%
31 - Guidance and Counseling	14,227,578	981,279	15,208,857	4.73%	6.90%
32 - Attendance and Social Work	910,505	250,375	1,160,880	0.36%	27.50%
33 - Health Services	4,294,846	147,144	4,441,990	1.38%	3.43%
34 - Student Transportation	4,940,408	1,612,482	6,552,890	2.04%	32.64%
36 - Co-Curricular/Extra Curricular Activities	6,434,502	265,233	6,699,735	2.09%	4.12%
41 - General Administration	7,961,813	551,250	8,513,063	2.65%	6.92%
51 - Plant Maintenance & Operations	24,655,076	1,748,142	26,403,218	8.22%	7.09%
52 - Security and Monitoring Services	1,580,946	28,785	1,609,731	0.50%	1.82%
53 - Data Processing Services	5,288,294	188,499	5,476,793	1.70%	3.56%
61 - Community Services	193,148	4,628	197,776	0.06%	2.40%
71 - Debt Administration	13,395	-	13,395	0.00%	0.00%
95 - Payments to JJAEP	50,000	-	50,000	0.02%	0.00%
99 - Other Intergovernmental Charges	941,106	67,066	1,008,172	0.31%	7.13%
Total Appropriations	<u>\$ 303,089,428</u>	<u>\$ 18,151,687</u>	<u>\$ 321,241,115</u>	100.00%	5.99%
Decrease in Fund Balance	<u>\$ -</u>		<u>\$ (6,330,970)</u>		



Multi-Year Financial Plan

Multi-year Financial Projection

	Projected End of Year FY 16-17	Estimated FY 17-18	5.00% FY 18-19	3.00% FY 19-20	2.00% FY 20-21	
Taxable Value	\$20,131,297,435	\$ 21,499,828,255	\$ 22,574,819,668	\$ 23,252,064,258	\$ 23,717,105,543	
Current Tax Rate	1.04005	1.04005	1.04005	1.04005	1.04005	
Lewy prior to over 65	\$ 209,375,559	\$ 223,608,964	\$ 234,789,412	\$ 241,833,094	\$ 246,669,756	
Loss due to over 65	\$ (9,098,466)	\$ (10,000,000)	\$ (10,500,000)	\$ (10,815,000)	\$ (11,031,300)	
	\$ 200,277,093	\$ 213,608,964	\$ 224,289,412	\$ 231,018,094	\$ 235,638,456	
	98.1%	98.0%	98.0%	98.0%	98.0%	
CY Tax Revenue	\$ 196,424,762	\$ 209,336,784	\$ 219,803,624	\$ 226,397,732	\$ 230,925,687	
PY Tax Revenue	\$ 947,687	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	
State Revenue	\$ 88,453,253	\$ 75,214,524	\$ 65,736,792	\$ 58,052,436	\$ 53,504,972	
TRS On Behalf	\$ 15,457,168	\$ 16,236,456	\$ 16,723,550	\$ 17,225,256	\$ 17,742,014	
Fund 161	\$ 3,306,812	\$ 4,487,381	\$ 4,487,381	\$ 4,487,381	\$ 4,487,381	
Other Local Revenue	\$ 7,743,467	\$ 8,635,000	\$ 8,635,000	\$ 8,635,000	\$ 8,635,000	
Total Revenue	\$ 312,333,149	\$ 314,910,145	\$ 316,386,346	\$ 315,797,806	\$ 316,295,054	
Expenses 199 and 161	\$ (303,089,428)	\$ (303,868,716)	\$ (312,422,515)	\$ (321,227,310)	\$ (330,290,573)	
3% Raise		\$ (6,850,000)	\$ (7,055,500)	\$ (7,267,165)	\$ (7,485,180)	3% growth
Required		\$ (4,433,604)	\$ (4,477,940)	\$ (4,522,719)	\$ (4,567,947)	1% growth
One Time		\$ (270,000)				
Additional Staff (15 staff at \$63,000 a year added each year)			\$ (945,000)	\$ (1,918,350)	\$ (2,920,901)	
Available for High Priority		\$ (5,818,795)	\$ (5,993,359)	\$ (6,053,292)	\$ (6,113,825)	1% growth
		\$ (321,241,115)	\$ (330,894,314)	\$ (340,988,837)	\$ (351,378,426)	
		(6,330,970)	(14,507,968)	(25,191,031)	(35,083,372)	
Unassigned Fund Balance	\$ 89,294,590	\$ 82,963,620	\$ 68,455,653	\$ 43,264,622	\$ 8,181,250	
Unassigned Fund Balance as a % of expenditures	29.5%	25.8%	20.7%	12.7%	2.3%	



Comparison of Tax Rates

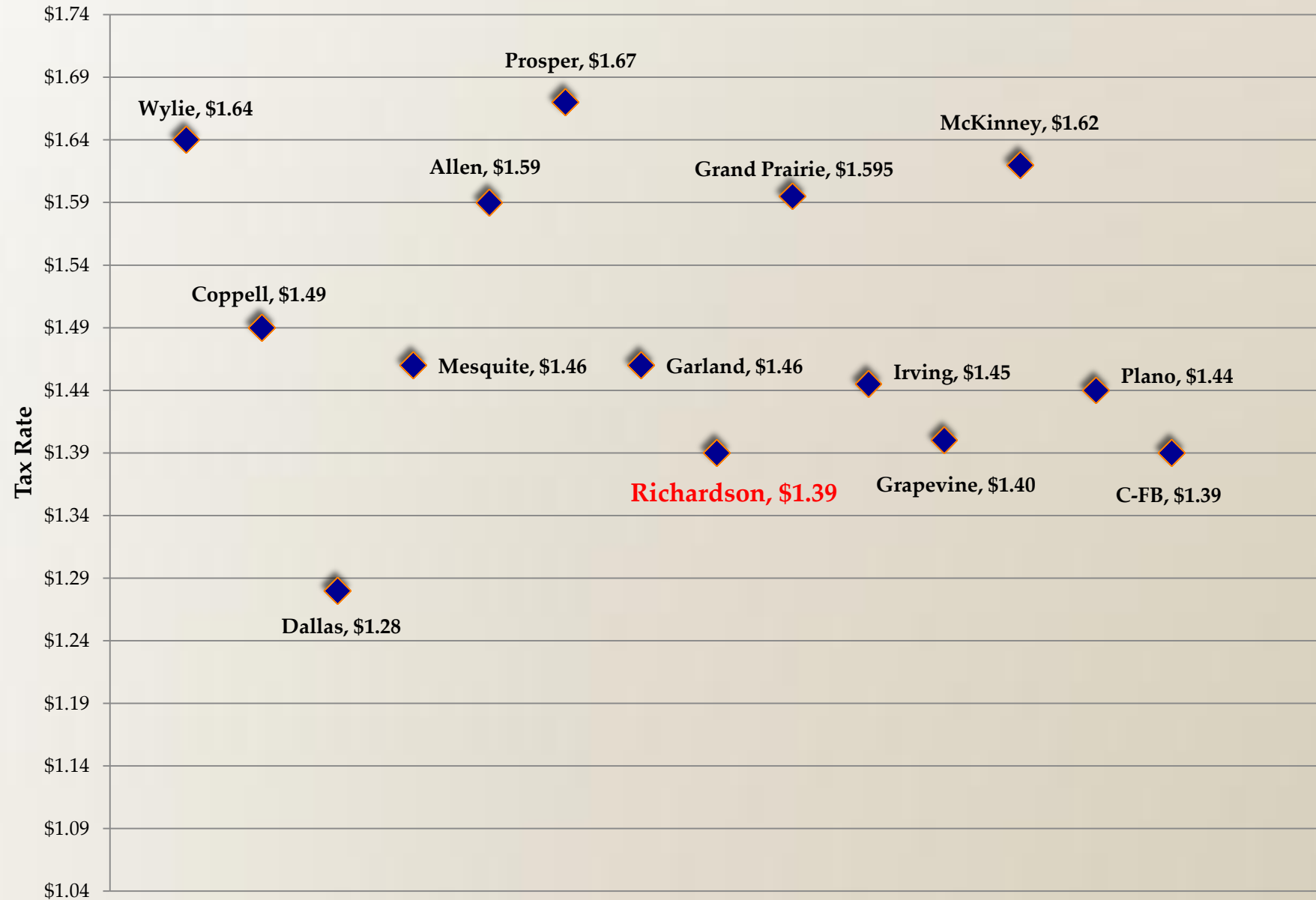


Dallas and Collin County Tax Rates 16-17

ISD Name	M&O Tax Rate	I&S Tax Rate	Total Tax Rate	Local
				Homestead Exemption
Prosper	1.17	0.5	1.67	
Wylie	1.17	0.47	1.64	
McKinney	1.17	0.45	1.62	
Grand Prairie	1.17	0.425	1.595	
Allen	1.14	0.45	1.59	
Lancaster	1.04	0.5	1.54	
Duncanville	1.04	0.48148	1.52148	
Cedar Hill	1.04	0.476	1.516	
Coppell	1.17	0.3227	1.4927	
Rockwall	1.04	0.425	1.465	
DeSoto	1.17	0.29	1.46	
Frisco	1.04	0.42	1.46	
Garland	1.04	0.42	1.46	
Mesquite	1.04	0.42	1.46	
Irving	1.17	0.275	1.445	
Plano	1.17	0.269	1.439	
Sunnyvale	1.04	0.386	1.426	
Grapevine-Colleyville	1.04	0.3567	1.3967	
Carrollton-Farmers Branch	1.17	0.2217	1.3917	
Richardson	1.04005	0.35	1.39005	X
Dallas	1.04005	0.242035	1.282085	X



DFW Metroplex School District Tax Rates



2017-2018 Richardson ISD Budget

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