

Board Information Item

Information Packet	Board Agenda Information	Board Agenda Action	Board Agenda Consent
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

04/26/2021

Subject: 2020-2021 Budget Update

Contact Person: DaiAnn Mooney, Chief Financial Officer

Policy/Code:

Board Goal: LEAD 2.0 Goal 1 – Actively identify and remove barriers that limit access to and opportunity for learning.

Board Goal 1 – Evaluate and approve a yearly budget that targets academic and student activities that reflect the school district and community’s focus on results, excellence, and strong fiscal responsibility.

Summary: Projections of expenditures are critical for monitoring the financial position of the District. Attached is a summary of the projections for 2020-2021 based on nine months of actual data. The Finance Department will project expenditures on a monthly basis for the remainder of the current fiscal year. In summary, the projections reflect the following:

- Revenues are projected to be \$1.4 million less than budgeted (excluding the winter storm revenue budget)
- Estimated winter storm expenditures to date of approximately \$463,000 and insurance proceed revenues of \$413,000. At this time, the District entered a budget of \$1,564,000 because the actual costs are unknown. These amounts will be updated on future monthly reports and the budget will be amended to reflect actual expenditures at the end of the fiscal year.
- Payroll expenditures are projected to be \$3.0 million less than budgeted

- Other expenses are projected to be approximately \$1.3 million less than budgeted
- TIF revenues and expenditures will be approximately \$525,000 less than budgeted

REVENUES:

The projected state funding for the 2020-2021 school year is summarized below:

Tax Revenue	\$157,542,627
State Allotments	9,926,387
Recapture	<u>(54,031,456)</u>
Total Projected Funding	\$113,437,558
Current Budget	\$112,854,033
Variance	\$583,525

The funding elements to calculate the projected state funding include:

- Average Daily Attendance (ADA) – 13,408.935
- Tax Collection Rate – 98.6%
- Tax Levy (current) – \$156,534,287
- Delinquent Taxes – \$500,000

The District generated ADA for the first three six weeks as follows:

1st Six Weeks – 13,242.199
 2nd Six Weeks – 13,299.660
 3rd Six Weeks – 13,266.525
 4th Six Weeks – 13,200.379

For the first four six week periods, the District had an average attendance rate of 97.2%. However, the State has mandated a cap of 96.4% for GCISD. The ADA figures listed above have been amended for this cap.

The State has guaranteed a “hold-harmless” ADA funding of 13,408.935 for the first three six-weeks. The State has also extended this “hold-harmless” to the last three six-weeks as long as the on-campus participation rate for the sixth six-weeks exceeds the on-campus participation rate submitted on the October 30 Fall PEIMS Snapshot. These projections assume the District meets this criteria.

The “hold-harmless” ADA for the District used for projections is 13,408.935.

The original revenue budget included \$1 million for the federal flood control. The District received the payment in October 2020 in the amount of \$1.9 million.

The COVID pandemic has impacted several sources of local revenue and overall the total local revenues are projected to be \$3.2 million less than budgeted. This amount is primarily made up of the following:

- KidzU after-school tuition – decreased enrollment - \$1.6 million
- Extracurricular fees – GCISD made decision to waive fees - \$119,000
- Interest – interest rates lower than projected - \$392,000
- Tuition based Pre-K – decreased enrollment - \$562,000
- Facility Rentals – swim center renovations and reduced rentals - \$107,000
- Athletics – gate receipts are lower due to limited seating - \$97,000
- ECDC – employee daycare decreased enrollment - \$195,000
- Field trips - limited fieldtrips are being taken - \$269,000

EXPENDITURES:

The excess payroll budget of \$3.0 million is reflective of the savings from hiring personnel with lower salaries, vacant positions and payroll docks.

In other expense areas, utilities are projected to come in approximately \$50,000 under budget. The projected utility costs are reflective of what was expended last year. The other non-payroll expenditures are projected to be slightly under budget as well.

The current budget reflects a deficit of \$7.4 million. However, current projections show the deficit to be \$4.1 million, which is \$3.3 million lower than originally budgeted.

The projections for the 2020-2021 fiscal year will continue to be reviewed each month. At this time, the administration is not recommending a budget amendment. As we near the end of the

fiscal year, the budget will be amended to reflect these projections.

- Attachments:** Summary of Revenue and Expenditure Projections as of March 31, 2021.
- Recommendation:** Action is not required. This item is for informational purposes only.

Grapevine-Colleyville Independent School District
Summary of Revenue and Expenditure Projections as of March 31, 2021
2020-2021

	Original Budget	Current Budget	Projections	Projection vs. Actual Variance	Description
Revenues:					
Taxes (Current & Delinquent)	\$ 154,648,265	\$ 154,648,265	\$ 157,542,627	\$ 2,894,362	Adjustment in appraisal district property values (offset by recapture)
Taxes (P&I)	500,000	500,000	523,659	23,659	
Tax Increment Finance (TIF)	7,785,545	7,785,545	7,260,544	(525,001)	Adjusted for final TIF values
Insurance Proceeds	-	1,564,000	412,966	(1,151,034)	
Other Local	8,206,250	8,216,588	5,053,495	(3,163,093)	Variance due to reduced KidzU & Tuition based Pre-K enrollment, extra-curricular pay to play, interest, facility rentals and athletic gate receipts
State - ASF & FSP	9,114,439	9,114,439	9,926,387	811,948	Adjustment in student counts (offset by recapture)
State - Prior Year	-	-	532,881	532,881	Adjustment to prior year allocations from completed property value audits
State - TRS On-behalf	8,005,959	8,005,959	8,101,773	95,814	
Federal	2,086,000	2,086,000	3,033,290	947,290	Flood control & SHARS payments more than budget
Other Sources	20,000	20,000	99,453	79,453	
Recapture	(50,908,671)	(50,908,671)	(54,031,456)	(3,122,785)	Adjustment in appraisal district property values & student counts (offset by additional tax revenues)
Total Revenues	\$ 139,457,787	\$ 141,032,125	\$ 138,455,619	\$ (2,576,506)	
Expenditures:					
Payroll Costs	\$ 120,882,473	\$ 121,617,373	\$ 118,618,506	\$ 2,998,867	
Contracted Services	6,663,273	6,664,175	6,531,789	132,386	
Utilities	3,312,157	3,461,807	3,411,476	50,331	
Supplies and Materials	4,074,485	4,237,151	3,969,240	267,911	
Other Operating Costs	3,002,461	3,036,441	2,247,271	789,170	
Winter Storm	-	1,564,000	462,966	1,101,034	
Capital Outlay	18,216	29,732	18,216	11,516	
TIF Payment	7,785,545	7,785,545	7,260,544	525,001	
Total Expenditures	\$ 145,738,610	\$ 148,396,224	\$ 142,520,008	\$ 5,876,216	
Fund Balance Increase (Decrease)	\$ (6,280,823)	\$ (7,364,099)	\$ (4,064,389)	\$ 3,299,710	
Beginning Fund Balance	\$ 58,145,036	\$ 58,145,036	\$ 58,145,036		
Estimated Ending Fund Balance	\$ 51,864,213	\$ 50,780,937	\$ 54,080,647		

State Funding Recap:	
Taxes	\$ 157,542,627
State Allotments	9,926,387
Recapture	(54,031,456)
Total	\$ 113,437,558
Budget	112,854,033
Variance	\$ 583,525