

Board Information Item

Information
Packet

Board Agenda
Information

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Action

Board Agenda
Consent

01/21/2021

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 initial projections for 2020-2021 based on six 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 \$1.3 million less than budgeted
- Payroll expenditures are projected to be \$2.6 million less than budgeted
- Other expenses are projected to be approximately \$1.4 million less than budgeted
- The TIF Revenues and expenditures will be approximately \$60,000 less than budgeted

REVENUES:

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

Tax Revenue	\$151,889,743
State Allotments	9,594,417
Recapture	<u>(48,808,243)</u>
Total Projected Funding	\$112,675,917
Current Budget	\$112,342,119
Variance	\$333,798

The funding elements used to calculate the projected state funding include:

- Average Daily Attendance (ADA) – 13,369.869
- Tax Collection Rate – 98.6%
- Tax Levy (current) – \$151,389,743
- Delinquent Taxes – \$500,000

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

1st Six Weeks – 13,346.72
2nd Six Weeks – 13,315.51
3rd Six Weeks – 13,330.18

The State has guaranteed a “hold-harmless” ADA funding of 13,408.935 for the first three six weeks. In order to calculate the estimated ADA for the entire 2020-2021 school year, the following elements were used.

1 st Six Weeks (HH)	13,408.935
2 nd Six Weeks (HH)	13,408.935
3 rd Six Weeks (HH)	13,408.935
4 th Six Weeks (estimated)	13,330.803
5 th Six Weeks (estimated)	13,330.803
6 th Six Weeks (estimated)	13,330.803
Estimated Average ADA	13,369.869

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 \$2.5 million less than budgeted. This amount is primarily made up of the following:

- KidzU after-school tuition – decreased enrollment - \$1.6 million
- Extra-curricular Pay to Play – GCISD made decision to waive fees - \$119,000
- Interest – interest rates lower than projected - \$258,000
- 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 - \$73,000

EXPENDITURES:

The excess payroll budget of \$2.6 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 \$61,000 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 \$4.6 million, which is \$2.8 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 December 31, 2020.

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 December 31, 2020
2020-2021

	Original Budget	Current Budget	Projections	Projection vs. Actual Variance	Description
Revenues:					
Taxes (Current & Delinquent)	\$ 154,648,265	\$ 147,055,628	\$ 151,889,743	\$ 4,834,115	Adjustment in appraisal district property values (offset by recapture)
Taxes (P&I)	500,000	500,000	500,000	-	
Tax Increment Finance (TIF)	7,785,545	7,785,545	7,724,752	(60,793)	
Other Local	8,206,250	8,216,588	5,673,875	(2,542,713)	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	9,425,833	9,594,417	168,584	
State - Prior Year	-	511,914	532,881	20,967	
State - TRS On-behalf	8,005,959	8,005,959	8,005,959	-	
Federal	2,086,000	2,086,000	2,984,709	898,709	Flood control payment more than budget
Other Sources	20,000	20,000	77,861	57,861	
Recapture	(50,908,671)	(44,139,342)	(48,808,243)	(4,668,901)	Adjustment in appraisal district property values (offset by additional tax revenues)
Total Revenues	\$ 139,457,787	\$ 139,468,125	\$ 138,175,954	\$ (1,292,171)	
Expenditures:					
Payroll Costs	\$ 120,882,473	\$ 121,885,049	\$ 119,261,476	\$ 2,623,573	
Contracted Services	6,663,273	6,874,264	6,177,460	696,804	
Utilities	3,312,157	3,311,807	3,250,387	61,420	
Supplies and Materials	4,074,485	4,047,365	3,702,555	344,810	
Other Operating Costs	3,002,461	2,909,978	2,595,005	314,973	
Capital Outlay	18,216	18,216	18,216	-	
TIF Payment	7,785,545	7,785,545	7,724,752	60,793	
Total Expenditures	\$ 145,738,610	\$ 146,832,224	\$ 142,729,851	\$ 4,102,373	
Fund Balance Increase (Decrease)	\$ (6,280,823)	\$ (7,364,099)	\$ (4,553,897)	\$ 2,810,202	
Beginning Fund Balance	\$ 58,145,036	\$ 58,145,036	\$ 58,145,036		
Estimated Ending Fund Balance	\$ 51,864,213	\$ 50,780,937	\$ 53,591,139		

State Funding Recap:	
Taxes	\$ 151,889,743
State Allotments	9,594,417
Recapture	(48,808,243)
Total	\$ 112,675,917
Budget	112,342,119
Variance	\$ 333,798