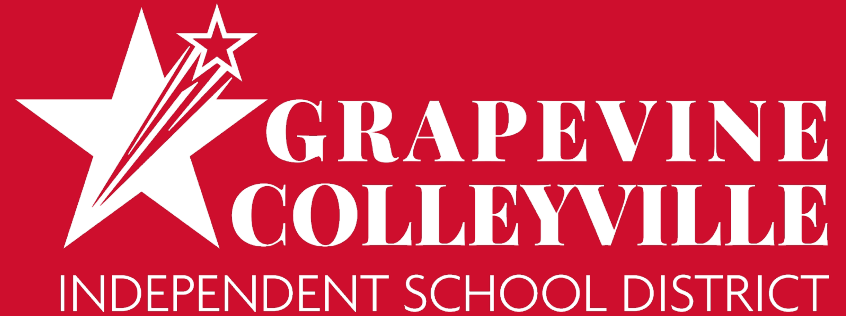


# 2021-2022 Budget Workshop

May 24, 2021



# 2021-2022 Budget Parameters

*(Parameters in red have been revised or added from the original parameters approved by the Board in February 2021)*

- Student enrollment – 12,480
- iUniversity Prep enrollment – 1,400
- Local appraisal district taxable values of - \$17.8 Billion, which is a 0% increase from 2020 tax year values
- State comptroller values - \$16.7 Billion
- State funding per capita - \$200 (Final amount approved by the State in September 2021)
- Maintenance and Operations tax rate - \$0.9664
- **Federal flood control revenues - \$1.5 Million (original parameter was \$1.0 Million)**
- **Payroll budget reduction - \$2 Million (original parameter was \$1.0 Million)**
  - 1.79% of budgeted payroll costs
- **Non-payroll budget reduction - \$540,000**
  - 5.05% of budgeted non-payroll costs (excluding fixed costs)
- **Employee cost-of-living adjustments – 1%, 2% of mid-point and 2%+Median**



# Base Budget Comparison

		2020-2021 Adopted Budget	2021-2022 Preliminary Budget	Change
1	Revenues	\$190,366,458	\$188,767,264	(\$1,599,194)
2	Payroll Expenditures	\$120,882,473	\$119,327,177	(\$1,555,296)
3	Non-Payroll Expenditures	<u>17,070,592</u>	<u>16,390,562</u>	<u>(680,030)</u>
4	<b>Total Operating Expenditures</b>	<b>\$137,953,065</b>	<b>\$135,717,739</b>	<b>(\$2,235,326)</b>
5	Recapture	50,908,671	50,865,660	(43,011)
6	TIF Payment	<u>7,785,545</u>	<u>7,260,544</u>	<u>(525,001)</u>
7	<b>Total Expenditures</b>	<b>\$196,647,281</b>	<b>\$193,843,943</b>	<b>(\$2,803,338)</b>
8	<b>Net Impact to Budget</b>	<b>(\$6,280,823)</b>	<b>(\$5,076,679)</b>	<b>(\$1,204,144)</b>



# Expenditure Budget Adjustments

	NON-PAYROLL	
1	Non-Payroll (excluding fixed costs)	\$10,695,478
2	Non-Payroll Adjustment	(\$540,000)
3	% of Adjustment	5.05%
4	5-Year Average Unspent Budget	7.07%

	PAYROLL	
5	Payroll (excluding TRS On-Behalf)	\$111,563,962
6	Payroll Adjustment	(\$2,000,000)
7	% of Adjustment	1.79%
8	5-Year Average Unspent Budget	2.08%



# 2021-2022 Proposed Position Adjustments

		FTE	Amount
1	iUniversity Prep Teachers (Enrollment Growth)*	7	\$517,323
2	iUniversity Prep Counselor (Enrollment Growth)*	1	86,808
3	Reduce Teacher Positions Based on Projected Enrollment Through Attrition	(12)	(786,298)
4	Reduce KidzU Positions Based on Projected Enrollment**	<u>(25)</u>	<u>(517,707)</u>
<b>5</b>	<b>TOTAL POSITION ADJUSTMENTS</b>	<b>(29)</b>	<b>(\$699,874)</b>

\*Offset by additional state funding for iUniversity Prep students.

\*\*The reduced positions are all currently vacant.



# 2021-2022 Compensation Adjustment Models

		Base Budget	1% Model	2% Model	2% Model + Median
1	Starting Teacher Pay	\$54,000	\$54,500	\$55,000	\$55,600
2	Current Base Payroll	\$119,686,069	\$119,686,069	\$119,686,069	\$119,686,069
3	General Pay Increase		\$1,203,004	\$2,276,459	\$3,198,036
4	Equity Adjustments		119,354	102,140	102,140
5	Bilingual Stipend Adjustment		140,000	140,000	140,000
6	TRS On-Behalf Contribution Percentage Increase*	\$128,245	130,932	132,939	134,822
7	TRS Contribution Percentage Increase	<u>212,737</u>	<u>213,503</u>	<u>214,197</u>	<u>214,411</u>
<b>8</b>	<b>Total Compensation Adjustments</b>	<b>\$340,982</b>	<b>\$1,806,793</b>	<b>\$2,865,735</b>	<b>\$3,789,409</b>
9	Proposed Position Adjustments (from prior slide)	(\$699,874)	(\$699,874)	(\$699,874)	(\$699,874)
<b>10</b>	<b>Total Proposed Compensation Budget Models</b>	<b>\$119,327,177</b>	<b>\$120,792,988</b>	<b>\$121,851,930</b>	<b>\$122,775,604</b>

\*Offset by same amount of revenue.



# 2021-2022 Budget Impact of Compensation and Position Adjustments

		0% Budget	1% Model	2% Model	2% + Median
1	Revenues/Other Sources	\$188,767,264	\$188,800,479	\$188,833,913	\$188,853,867
2	Payroll Expenditures	\$119,327,177	\$120,792,988	\$121,851,930	\$122,775,604
3	Non-Payroll Expenditures	<u>16,390,562</u>	<u>16,390,562</u>	<u>16,390,562</u>	<u>16,390,562</u>
4	Total Operating Expenditures	\$135,717,739	\$137,183,550	\$138,242,492	\$139,166,166
5	Recapture	\$50,865,660	\$50,865,660	\$50,865,660	\$50,865,660
6	TIF Payment	<u>7,260,544</u>	<u>7,260,544</u>	<u>7,260,544</u>	<u>7,260,544</u>
7	Total Expenditures	\$193,843,943	\$195,309,754	\$196,368,696	\$197,292,370
8	<b>NET IMPACT TO BUDGET</b>	<b>(\$5,076,679)</b>	<b>(\$6,509,275)</b>	<b>(\$7,534,783)</b>	<b>(\$8,438,503)</b>
9	One-time Payment		(\$1,035,023)		
10	<b>NET IMPACT TO BUDGET</b>		<b>(\$7,544,298)</b>		




# 2021-2022 Preliminary Debt Service Budget

(Based on current tax rate: \$0.3367)

1	Tax Collections (Current, Delinquent, and Penalties & Interest)	\$57,389,019
2	Other Revenues	<u>1,890,250</u>
<b>3</b>	<b>Total Revenues</b>	<b>\$59,279,269</b>
4	Debt Payment – August 2021	\$40,854,544
5	Debt Payment – February 2022	7,968,919
6	Bond Prepayment – February 2022	12,500,000
7	Fees	<u>20,000</u>
<b>8</b>	<b>Total Expenditures</b>	<b>\$61,343,463</b>
<b>9</b>	<b>Net Operating Results</b>	<b>(\$2,064,194)</b>
10	Projected Beginning Fund Balance 6/30/21	\$70,967,369
11	Projected Ending Fund Balance 6/30/22	\$68,921,175

Reduces future interest costs by \$6.5 Million






# 2021-2022 Debt Service Fund Balance Analysis

			% of Maximum Debt Service Payment*
1	Projected Fund Balance 6/30/21	\$70,967,369	
2	August 2021 Payment	<u>(40,854,544)</u>	
3	Projected Fund Balance 8/31/21	\$30,112,825	48.6%
4	Projected Fund Balance 6/30/22	\$68,921,175	
5	August 2022 Payment	<u>(41,443,919)</u>	
6	Projected Fund Balance 8/31/22	\$27,477,256	48.3%

\*GCISD Financial Advisors recommend to keep 40%-50% of highest anticipated bond payment in fund balance. Assumes prepaying bonds in the amount of \$12,500,000 in the 2022 and 2023 fiscal year.



# 2020-2021 Preliminary Child Nutrition Budget

		Base Budget	1% Model	2% Model
1	Revenue	\$5,523,467	\$5,523,467	\$5,523,467
2	Payroll Expenditures	\$2,683,210	\$2,704,608	\$2,726,321
3	Non-Payroll Expenditures	<u>2,763,047</u>	<u>2,763,047</u>	<u>2,763,047</u>
4	Total Expenditures	\$5,446,257	\$5,467,655	\$5,489,368
5	<b>Net Impact To Budget</b>	<b>\$77,210</b>	<b>\$55,812</b>	<b>\$34,099</b>
6	One-time Payment		(\$46,727)	
7	<b>Net Impact To Budget</b>		<b>\$9,085</b>	



# QUESTIONS

