

ADOPTED ON TUESDAY, JUNE 23, 2015

PROPOSED BUDGET 2015-2016

PUBLIC HEARING



PRESENTED: JUNE 23, 2015

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El Paso ISD
Enrollment Comparisons
6/22/2015

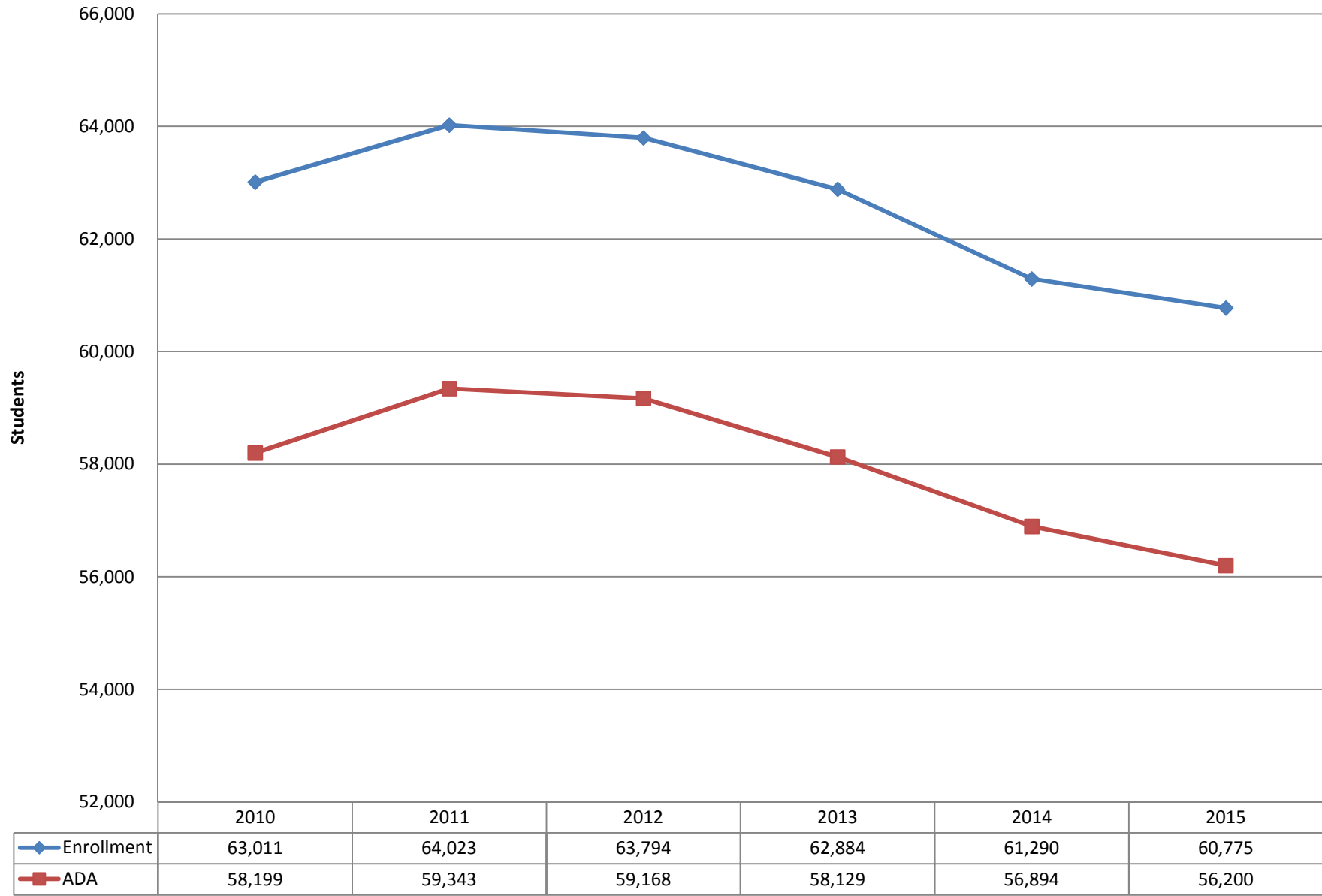
	Membership 2013-2014 (end of 1st 6 weeks)	Membership 2014-2015 (end of first 6 weeks)	Projected 2015-2016 Membership 2.12.15	2016-2017 LOW PRED	2017-2018 LOW PRED	2018-2019 LOW PRED	2019-2020 LOW PRED
EPISD	61,293	60,873	59,840	58,371	57,192	56,258	55,156
Difference		(420)	(1,033)	(1,468)	(1,179)	(934)	(1,101)
% Change		-0.69%	-1.73%	-2.52%	-2.06%	-1.66%	-2.00%

Membership - Students enrolled that generate funding from Average Daily Attendance.

Average Daily Attendance (ADA) – The number of students in average daily attendance. ADA is based on the number of days of instruction in the school year. The aggregate days attendance is divided by the number of days of instruction to compute ADA. ADA is used in the formula to distribute funding to Texas public school districts.

Weighted Average Daily Attendance (WADA): WADA is an adjusted student count that compensates for student and district characteristics as defined by statute. Students with special educational needs, for example, are “weighted” by a factor ranging from 1.1 to 5.0 times the “regular” program weight in order to fund their special

Enrollment and Average Daily Attendance

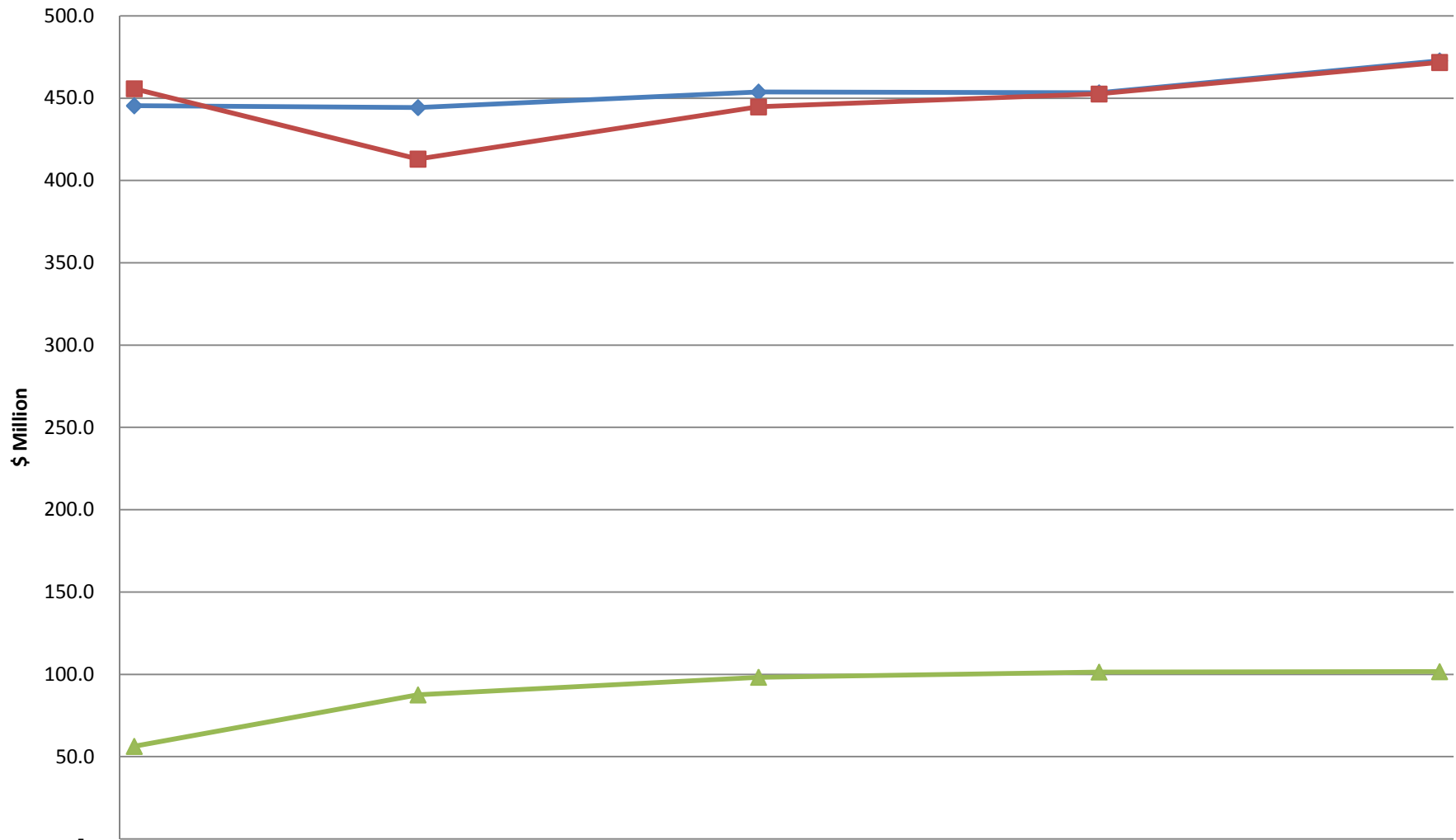


2015 ADA is estimated

EPISD - Revenues, Expenditures, and Changes in Fund Balance, 5 year history with student and staff counts

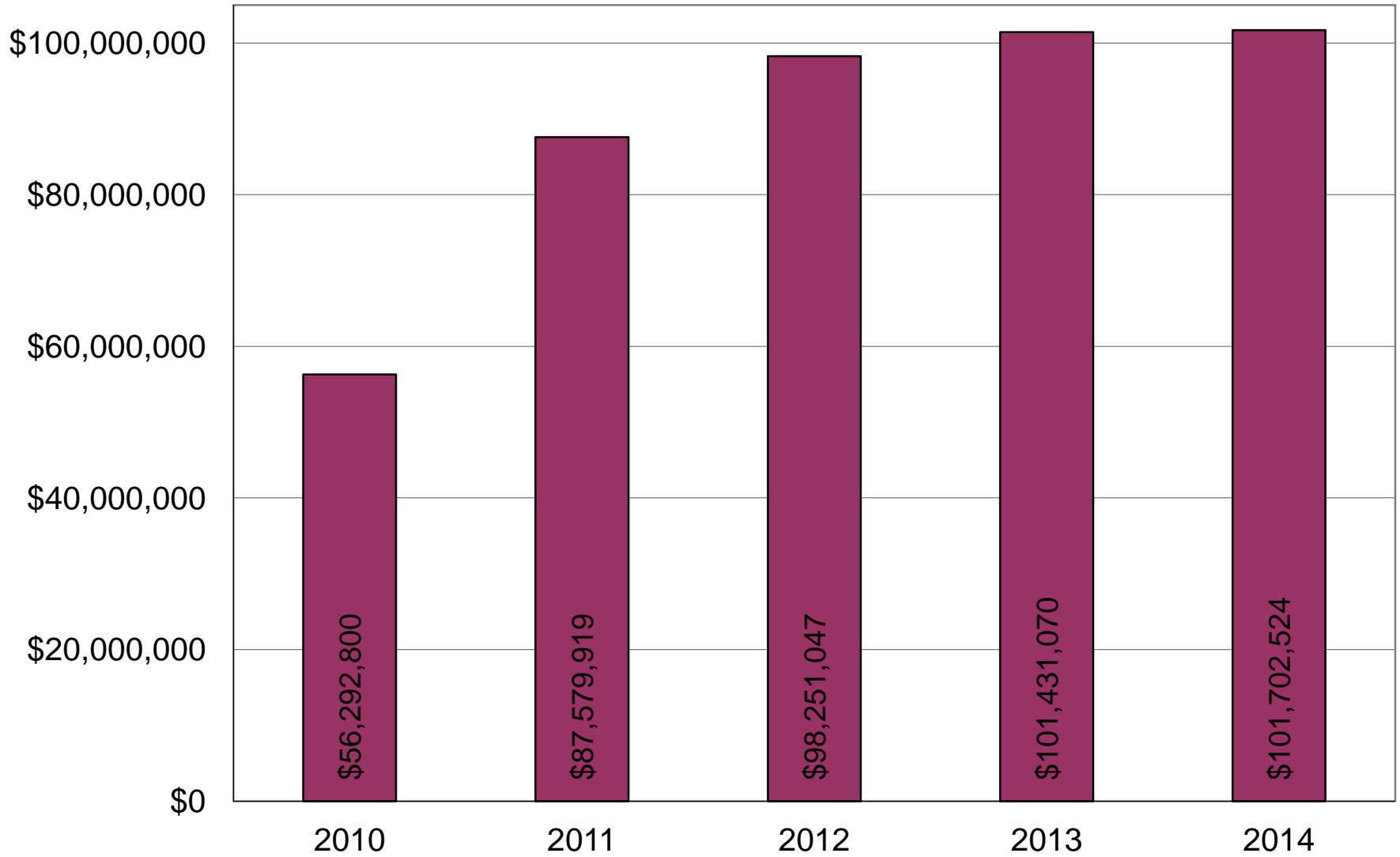
Revenues:	FY-2010	FY-2011	FY-2012	FY-2013	FY-2014	Increase from the prior year (for the year ending)				
						6/30/2011	6/30/2012	6/30/2013	6/30/2014	5 years
57xx Local Revenue	\$ 155,007,759	\$ 155,435,215	\$ 162,573,204	\$ 165,007,244	\$ 168,091,514	0.3%	4.6%	1.5%	1.9%	8.4%
58xx State Revenue	280,916,434	277,124,128	279,579,580	278,298,505	291,120,061	-1.3%	0.9%	-0.5%	4.6%	3.6%
59xx Federal Revenue	9,504,049	11,793,189	11,595,611	9,976,314	13,555,402	24.1%	-1.7%	-14.0%	35.9%	42.6%
Total Revenue	445,428,242	444,352,532	453,748,395	453,282,063	472,766,977	-0.2%	2.1%	-0.1%	4.3%	6.1%
Expenses:										
11 Instruction	265,585,480	248,945,226	256,746,110	266,453,598	283,139,594	-6.3%	3.1%	3.8%	6.3%	6.6%
12 Instr. Resources and Media Serv	9,331,952	8,256,262	8,273,168	8,581,044	8,948,016	-11.5%	0.2%	3.7%	4.3%	-4.1%
13 Curriculum and Instr. Staff Devel.	11,459,548	10,086,822	9,312,929	11,011,494	9,881,000	-12.0%	-7.7%	18.2%	-10.3%	-13.8%
21 Instructional Leadership	3,881,005	3,144,765	3,607,264	3,463,634	3,316,165	-19.0%	14.7%	-4.0%	-4.3%	-14.6%
23 School Leadership	34,400,225	30,146,634	30,992,309	33,031,540	35,205,328	-12.4%	2.8%	6.6%	6.6%	2.3%
31 Guidance, Counseling and Eval.	18,419,098	15,698,739	18,351,103	15,744,349	15,803,828	-14.8%	16.9%	-14.2%	0.4%	-14.2%
32 Social Work Services	3,138,769	2,859,687	2,959,469	2,926,080	3,131,285	-8.9%	3.5%	-1.1%	7.0%	-0.2%
33 Health Services	6,143,677	5,835,063	5,857,811	6,300,570	6,375,170	-5.0%	0.4%	7.6%	1.2%	3.8%
34 Student (Pupil) Transportation	11,734,913	10,962,851	13,297,220	14,378,875	14,008,630	-6.6%	21.3%	8.1%	-2.6%	19.4%
36 Extracurricular Activities	11,004,976	10,700,250	10,582,056	10,697,158	11,093,187	-2.8%	-1.1%	1.1%	3.7%	0.8%
41 General Administration	10,393,071	8,747,857	9,160,625	10,827,015	10,052,278	-15.8%	4.7%	18.2%	-7.2%	-3.3%
51 Facilities Maint. & Operations	45,993,605	40,954,508	49,219,559	48,966,037	48,078,513	-11.0%	20.2%	-0.5%	-1.8%	4.5%
52 Security & Monitoring Services	4,934,304	4,209,828	4,656,646	5,009,982	5,209,555	-14.7%	10.6%	7.6%	4.0%	5.6%
53 Data Processing Services	4,588,744	3,462,152	4,319,689	5,011,395	5,419,059	-24.6%	24.8%	16.0%	8.1%	18.1%
61 Community Services	206,198	157,625	123,596	142,647	198,456	-23.6%	-21.6%	15.4%	39.1%	-3.8%
71 Debt Service	3,261,260	1,836,211	3,438,576	3,535,656	3,588,807	-43.7%	87.3%	2.8%	1.5%	10.0%
81 Facilities Acquisition & Const.	8,899,873	4,824,497	11,410,472	4,234,913	5,892,987	-45.8%	136.5%	-62.9%	39.2%	-33.8%
99 Other Intergovernmental	2,413,414	2,245,504	2,446,855	2,289,030	2,409,511	-7.0%	9.0%	-6.5%	5.3%	-0.2%
Total Expenses	455,790,112	413,074,481	444,755,457	452,605,017	471,751,369	-9.4%	7.7%	1.8%	4.2%	3.5%
Revenue less expenses	(10,361,870)	31,278,051	8,992,938	677,046	1,015,608					
Net other sources and (uses)	19,091,223	1,249,188	1,678,190	2,502,977	(744,154)					
Prior Period Adjustment	-	(1,240,120)	-	-	-					
Net Change in Fund Balance	8,729,353	31,287,119	10,671,128	3,180,023	271,454					
Beginning Fund Balance	47,563,447	56,292,800	87,579,919	98,251,047	101,431,070					
Ending Fund Balance	\$ 56,292,800	\$ 87,579,919	\$ 98,251,047	\$ 101,431,070	\$ 101,702,524	55.6%	12.2%	3.2%	0.3%	80.7%
Days in unrestricted Fund Balance	41.1	67.4	76.8	78.5	76.0					
Data from State AEIS, TAPR, and SOF:										
Total Students	63,011	64,023	63,794	62,884	61,290					
Final ADA	58,198.899	59,343.378	59,168.104	58,129.209	56,894.287					
Total Teachers	4,403.6	4,398.9	4,223.1	4,145.4	4,121.3					
Total Staff	8,817.5	8,591.8	8,193.2	7,871.0	8,171.9					
<u>Ratios:</u>										
ADA to Students	0.9236	0.9269	0.9275	0.9244	0.9283					
Student to Teacher	14.31	14.55	15.11	15.17	14.87					
Student to Total Staff	7.15	7.45	7.79	7.99	7.50					
<u>Expenses</u>										
Increase (decrease) from prior yr.	-	(42,715,631)	31,680,976	7,849,560	19,146,352					\$ 15,961,257
Percentage Increase or decrease	-	-9.37%	7.67%	1.76%	4.23%					3.50%
Expenses per student (ADA)	7,831.59	6,960.75	7,516.81	7,786.19	8,291.72				\$ 460.12	5.88%

Year End: Revenue, Expenses, and Fund Balance



	8/31/2010	6/30/2011	6/30/2012	6/30/2013	6/30/2014
◆ Revenue	445.4	444.4	453.7	453.3	472.8
■ Expenses	455.8	413.1	444.8	452.6	471.8
▲ Fund Bal.	56.3	87.6	98.3	101.4	101.7

General Fund - Total Fund Balance



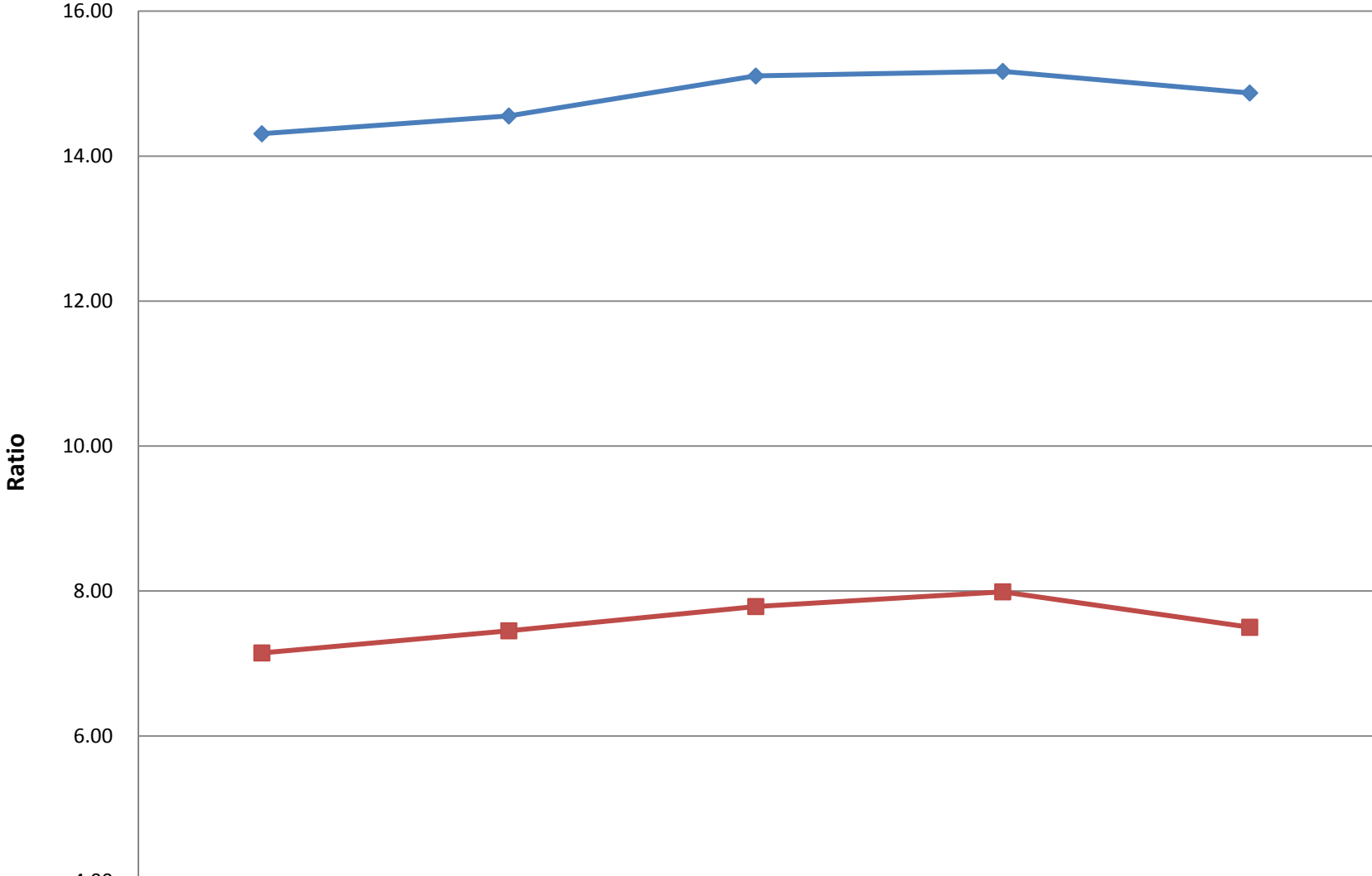
Days in Unrestricted Fund Balance
2010:41.1, 2011:67.4, 2012:76.8, 2013:78.5, 2014:76.0



**El Paso Independent School District
Administrative Cost Ratio Comparison
Fiscal Year 2013**

<u>El Paso County School Districts</u>	Student Enrollment	Administrative Cost Ratio (%)	State Standard (%)
El Paso ISD	62,884	0.0468	0.1150
Socorro ISD	44,054	0.0572	0.1150
Ysleta ISD	43,512	0.0633	0.1150
Clint ISD	11,719	0.1049	0.1150
Canutillo ISD	6,042	0.1361	0.1250
San Elizario ISD	4,127	0.1247	0.1401
Fabens ISD	2,383	0.1047	0.1401
Tornillo ISD	1,350	0.1788	0.1401
Anthony ISD	855	0.1448	0.1561
 <u>6 Similar Sized School Districts in Texas</u>			
Arlington ISD	64,913	0.0382	0.1150
Katy ISD	64,408	0.0391	0.1150
El Paso ISD	62,884	0.0468	0.1150
North East ISD	67,701	0.0472	0.1150
Fort Bend ISD	69,123	0.0510	0.1150
Aldine ISD	65,415	0.0519	0.1150

Student to Teacher and Student to Staff Ratios



	2010	2011	2012	2013	2014
◆ Student-Teacher	14.31	14.55	15.11	15.17	14.87
■ Student-Staff	7.15	7.45	7.79	7.99	7.50

EL PASO INDEPENDENT SCHOOL DISTRICT
 PROJECTED GENERAL FUND REVENUES
 FY 2015-16

Revenues	Estimate of Final Revenue 2014-15	Proposed Budget at \$1.04 M&O Rate 2015-16	Proposed Budget at \$1.07 M&O Rate 2015-16	Increase in General Fund Revenue
Local Property Taxes:				
Current YR Collections	\$ 158,798,533	\$ 160,995,070	\$ 165,777,859	\$ 4,782,789
Prior YR Delinquent, P&I	4,673,083	4,808,298	4,808,298	0
General Fund Taxes	163,471,616	165,803,368	170,586,157	4,782,789
Local Other:				
Tuition	648,778	700,000	700,000	0
Interest Earnings	142,304	150,000	150,000	0
Revenue-Rent-Buildings	72,818	100,000	100,000	0
Revenue-Transportation	149,518	50,000	50,000	0
Miscellaneous Revenue	861,464	1,000,000	1,000,000	0
Revenue-Athletic Activity	466,946	500,000	500,000	0
Rev-Extracurricular	800,000	800,000	800,000	0
Sub total other local	3,141,827	3,300,000	3,300,000	0
Total Local Revenues	\$ 166,613,443	\$ 169,103,368	\$ 173,886,157	\$ 4,782,789
State Revenue				
State Revenue	264,599,131	270,471,130	279,473,572	9,002,442
State Miscellaneous	3,786,987	158,000	158,000	0
TRS On-Behalf	24,000,000	24,000,000	24,000,000	0
Total State Revenues	\$ 292,386,118	\$ 294,629,130	\$ 303,631,572	\$ 9,002,442
Federal Revenues				
ROTC Reimbursement	579,180	590,000	590,000	0
Federal Revenue-TEA-Indir	614,701	600,000	600,000	0
SHARS-Medicaid	9,397,736	8,000,000	8,000,000	0
Impact Aid	5,110,928	4,200,000	4,200,000	0
Total Federal Revenues	15,702,545	13,390,000	13,390,000	0
Total Budgeted Revenue	\$ 474,702,106	\$ 477,122,498	\$ 490,907,729	\$ 13,785,231
ADA Forecast	55,791	55,204	55,204	0
TAV Growth	-1.26%	1.00%	1.00%	0.00%
M&O Tax Rate	\$ 1.04	\$ 1.04	\$ 1.07	\$ 0.03
Total Collection %	100%	100%	100%	0%

		Option 1	Option 2
		\$1.04 M&O Rate	\$1.07 M&O Rate
Projected Revenue			
5700	Local	169,103,368	173,886,157
5800	State	294,629,130	303,631,572
5900	Federal	13,390,000	13,390,000
	Total	477,122,498	490,907,729
Proposed Expenditures			
6100	Payroll Costs	409,199,074	418,299,074
6200	Professional & Contracted Services	31,042,945	31,042,945
6300	Supplies and Materials	22,466,891	22,466,890
6400	Other Operating Expenses	6,659,948	6,659,949
6500	Debt Service	2,954,532	2,954,532
6600	Capital Outlay	4,799,108	4,799,108
	Unallocated		4,685,231
	Total	477,122,498	490,907,729
Revenue Over Expenses		-	-
	Cost Savings by Minimizing New Hires Due to Attrition	(2,300,893)	(2,300,893)
	Lapsed Salary Savings - 1.5% for FY16	(4,542,947)	(4,542,947)
	Savings From Retired Debt	(965,505)	(965,505)
	Debt Payment For PFC Projects in FY16	1,200,000	1,200,000
2.5% average increase for teachers, librarians and professional support personnel; 3.5% for classified employees and 2.5% for National School Breakfast/Lunch & Summer Feeding Program employees		0	9,100,000
	Workers Comp Contribution for FY16	1,600,000	1,600,000
	Facilities Capital Maintenance Budget Reinstated	2,500,000	2,500,000
	Technology Replacement Allocation for FY16	1,500,000	1,500,000
	Musical Instrument Replacement Allocation FY16	0	0
	Library Materials Replacement Allocation for FY16	1,000,000	1,000,000
	Buses and Vehicle Replacement Allocation for FY16	750,000	750,000
	Unallocated	0	4,685,231

6200 Professional & Contracted Services - The major account classification is used to record expenditures/expenses for services rendered to the school district by firms, individuals and other organizations. This includes Utilities, Tax Appraisal and Collection, Legal Services, Audit Professional Services.

6400 Other Operating Expenses - This major classification is used to classify expenditures/expenses for items other than Payroll Costs, Professional and Contracted Services, Supplies and Materials, Debt Service and Capital Outlay that are necessary for the operation of the school district. This includes Travel and Subsistence, Insurance and Bonding Costs, Election Costs, Membership Fees and Other Miscellaneous Costs such as Fees (not associated with travel) to include Copyright Access Fees, Awards, Bid Notices, Graduation Expenses, Food/Refreshments for School-Related Meetings, Newspaper Advertisements, School Bus Charges, Registration Fees for In-Town Training and Inspection Fees.

National School Breakfast/Lunch & Summer Feeding Program

ADOPTED ON TUESDAY, JUNE 23, 2015

El Paso Independent School District

2015-16 Proposed Budget by Class-Object

PROJECTED REVENUE

	2015-16	2014-2015	Variance (\$)
5700 Local Revenue	\$4,825,000	\$6,390,000	(\$1,565,000)
5800 State Revenue	250,000	250,000	0
5900 Federal Revenue	35,915,000	31,700,000	4,215,000
TOTAL PROJECTED REVENUE	\$40,990,000	\$38,340,000	\$2,650,000

PROPOSED EXPENDITURES

	2015-16	2014-2015	Variance (\$)
6100 Payroll Costs	\$17,822,000	\$16,392,229	\$1,429,771
6200 Professional & Contracted Svcs	2,071,500	2,220,000	(148,500)
6300 Supplies & Materials	19,667,500	20,127,500	(460,000)
6400 Other Operating Expenses	85,000	90,000	(5,000)
6600 Capital Outlay	890,000	2,659,000	(1,769,000)
Total Fund 240	40,536,000	41,488,729	(952,729)
6100 Payroll Costs	0	331,000	(331,000)
6300 Supplies & Materials	444,000	317,500	126,500
6400 Other Operating Expenses	10,000	5,500	4,500
Total Fund 242	454,000	654,000	(200,000)
TOTAL PROPOSED EXPENDITURES	\$40,990,000	\$42,142,729	(\$1,152,729)

PROJECTED SURPLUS/(DEFICIT) \$ - (\$3,802,729)

2015-2016 Proposed Budget

El Paso Independent School District - Debt Funds

Debt Service Fund 599

PROJECTED REVENUE (at .1650)

	2015-16	2014-15	Variance (\$)
5711 Taxes, Current Year	\$25,542,487	\$29,337,695	(\$3,795,208)
5712 Taxes, Prior Years	\$526,107	604,278	(78,171)
5719 Taxes, Penalty & Interest	\$236,748	271,925	(35,177)
5742 Interest Income	\$30,000	30,000	0
5829 State EDA and IFA Revenue	5,928,880	6,777,251	(848,371)
TOTAL PROJECTED REVENUE	\$32,264,222	\$37,021,149	(\$4,756,927)

PROPOSED EXPENDITURES

	2015-16	2014-15	Variance (\$)
6511 Bond Principal	16,004,544	17,844,373	(\$1,839,829)
6521 Interest on Bonds	15,959,678	18,876,776	(2,917,098)
6599 Other Debt Service Fees	300,000	300,000	0
TOTAL PROPOSED EXPENDITURES			
Function 71 Debt Service	\$32,264,222	\$37,021,149	(\$4,756,927)

PROJECTED SURPLUS/(DEFICIT)

\$	-	\$	-
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Debt Fund 575 QSC Sinking

7915 Transfer in: Sinking Fund

\$684,059	\$684,059	0
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BUDGET CONSIDERATIONS	COSTS ASSOCIATED
Impact on State funding from the estimated drop in student enrollment.	Loss of \$5.8 million
Loss of TRS funding due to legislative action	Loss of \$3.6 million
The contribution to the Workers Comp Fund was not funded for FY15. At some point this contribution will have to be restored	Annual Contribution \$3.2 million
Facilities Capital Maintenance budget needs to be reinstated, reduced for FY15	\$7 million
Cost of living increases for next year (2% increase) - 2015-2016; (\$6 million from Local Funds)	\$7.2 million
Buses and Vehicle 6-Year Replacement Plan	\$24.9 million
Technology 5-Year Replacement Plan	\$10.4 million
Library Book/Materials 5-Year Replacement Plan	\$5.2 million
Musical Instrument 5-Year Replacement Plan	\$8.9 million
Health insurance - both an increase in the basic premium by TRS and an increase in participation due to the effects of the Affordable Care Act are probable	

**2015-16 Budget
Additional General Fund Revenue Generated from a TRE**

	<u>Tax Rate</u>	<u>Increase in State Revenue</u>	<u>Increase in Local Tax Rev.</u>	<u>Total Increase</u>
Golden Pennies	1.05	4,092,636	1,594,263	5,686,899
	1.06	8,144,751	3,188,526	11,333,277
Proposed M&O Tax Rate	1.07	9,002,442	4,782,789	13,785,231
	1.08	9,851,513	6,377,052	16,228,565
	1.09	10,700,584	7,971,315	18,671,899
	1.10	11,549,655	9,565,578	21,115,233
	1.11	12,398,726	11,159,841	23,558,567
	1.12	13,247,797	12,754,104	26,001,901
	1.13	14,096,868	14,348,367	28,445,235
	1.14	14,945,939	15,942,630	30,888,569
	1.15	15,795,010	17,536,893	33,331,903
	1.16	16,644,081	19,131,156	35,775,237
	1.17	17,331,066	20,725,419	38,056,485

Run date: 6/5/2015

The 6 cents above \$1.00 are considered "Golden Pennies". The State match on each penny is over \$4 million.

**EPISD 2015
Tax Ratification Election (TRE)**

Tax Rates:	<u>Current</u>		<u>TRE</u>		<u>Variance</u>	
M&O	\$ 1.0400	\$	1.0700	\$	0.0300	
I&S	\$ 0.1950	\$	0.1650	\$	(0.0300)	
Total	\$ 1.2350	\$	1.2350	\$	0.0000	(1)

- (1) There is no net tax rate increase to the EPISD tax payer.
- (2) This 3 cent swap between the M&O and the I&S tax rates, will increase revenue in the General Fund by approximately \$13,785,231.
- (3) In November, Texas voters will vote on a State constitutional amendment to increase the public school homestead exemption from \$15,000 to \$25,000. This will decrease the EPISD portion on all homes that receive the full exemption by \$123.50.
- (4) The amount of additional State matching funds that will be received as a result of a successful TRE will be \$9,002,442.

Impact on an Average Taxable Value Residence

The home values, are the certified preliminary values provided by the El Paso Central Appraisal District.

<u>EPISD Residences</u>	<u>Last Year</u>	<u>This Year</u>
Average Market Value	\$ 139,311	\$ 138,853
Average Taxable Value	\$ 124,056	\$ 113,605
Tax Rate	\$ 1.2350	\$ 1.2350
Average taxes due	\$ 1,532.09	\$ 1,403.02
Increase (Decrease) in taxes		\$ (129.07)

The school homestead exemption will increase from \$15,000 to \$25,000. The increase will require voter approval in November.

The \$10,000 increase in the homestead exemption is included after consulting with the State Comptroller's Property Tax Division.

**753 Workers Compensation Fund
3-Year History through 5-31-2015**

	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	
Revenues	\$ 3,195,600	\$ 3,220,266	\$ 11,284	
Expenses	<u>(3,382,419)</u>	<u>(4,006,816)</u>	<u>(3,068,510)</u>	
Rev. (Over)/Under Exp.	(186,819)	(786,550)	(3,057,227)	(as of 5-31-2015)
 Beg. Fund Balance	 8,934,529	 8,747,710	 7,961,160	
 Ending Fund Balance	 <u>\$ 8,747,710</u>	 <u>\$ 7,961,160</u>	 <u>\$ 4,903,933</u>	

Fund Balance	8,747,710	7,961,160	4,903,933
Claims Liability	9,000,000	9,000,000	9,000,000
Fund bal. and claims liab.	<u>\$ 17,747,710</u>	<u>\$ 16,961,160</u>	<u>\$ 13,903,933</u>

Gross Claims Expense \$ 2,808,880 \$ 3,560,143 \$ 2,651,032

	<u>2012-13</u>	<u>2013-14</u>	Zero in <u>2014-15</u>	Proposed for <u>FY 2015-16</u>
District Contribution	<u>\$32.00</u>	<u>\$32.00</u>	\$0.00	\$16.00
PEPM (per empl. per mth.)				



2014-15 Teacher Salary Comparison Report*

Report ID:

Report Created: 5/27/2015 4:27:09 PM

Enrollment Selection: All

ESC Selection: 19 - El Paso

District	Enroll	Teacher Count	0-Year Salary	5-Year Salary	10-Year Salary	15-Year Salary	20-Year Salary	Max Salary on Schedule	% Change in Teachers Median Scheduled Amount
EL PASO ISD	60,639		44,147	46,690	49,233	51,776	54,319	68,420	2.81%
SOCORRO ISD	44,398	2,714	45,855	47,480	49,105	51,440	54,840	79,240	1.07%
YSLETA ISD	42,295	2,977	44,735	47,235	49,735	52,235	54,735	60,235	1.07%
CLINT ISD	11,761	693	47,500	48,557	51,350	54,799	58,210	58,210	0.40%
CANUTILLO ISD	5,909	390	46,250	47,050	48,700	50,950	54,344	57,683	0.46%

* Reported salary amounts are for 10-month teachers with bachelor's degree.