

One source for all learners.

#oneforall



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#oneforall



Head Start



CASE for Kids



Therapy Services



Schools



Adult Education & Workforce **Development**

Operational support for Harris County schools



Teaching and **Learning Center**



Center for Safe and Secure Schools



Educator Certification



Research





Facilities





Choice Partners



Business Services



Texas Virtual School Network

One Source for All Learners



FY 2017-2018 Annual Budget Summary June 13, 2017 Budget Workshop



Submitted to Board of Trustees by

James Colbert Jr. Superintendent

Dr. Jesus J. Amezcua, Assistant Supt. For Business



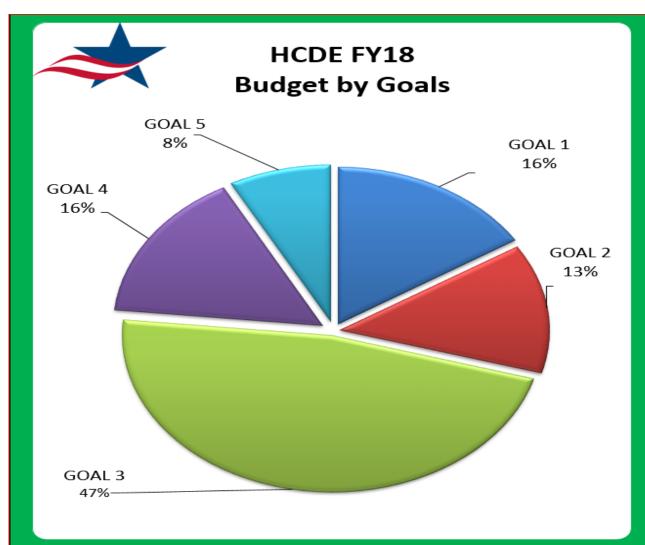


Agenda

- 1. Introduction
- 2. Superintendent's Overview
- 3. Annual Budget Overview FY 2017-2018
- 4. TASB Pay Systems Maintenance Report Personnel
- 5. Date for next budget workshop and budget and tax adoption calendar Next Steps
- 6. Adjourn



HCDE Goals



Goal 1:

 Impact education by responding to the evolving needs of Harris County

Goal 2:

 Deliver value to Harris County by utilizing resources in an ethical, transparent, and fiscally responsible manner

Goal 3:

 Advocate for all learners by using innovative methods to maximize students' potential.

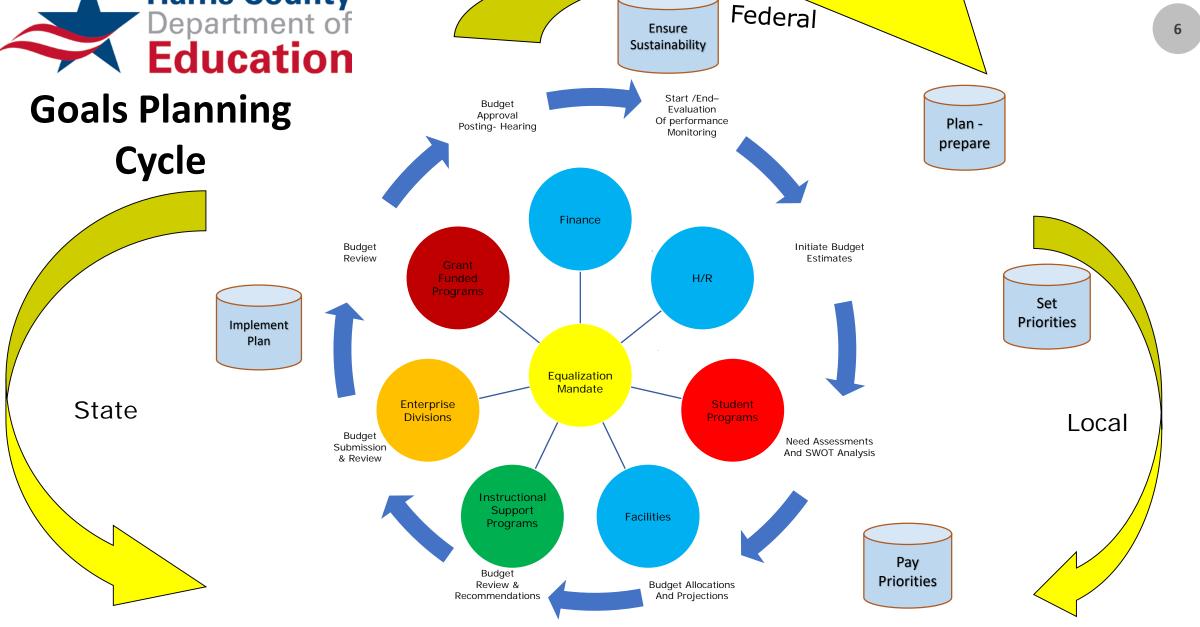
Goal 4:

 Provide cost-savings to school districts by leveraging tax dollars

Goal 5:

Recruit and maintain a high-quality professional staff







\$114,181,060 TOTAL BUDGET

FY 2017-2018

General Fund

\$54,286,832 or **45.7%**

Enterprise Fund

Choice Partners Fund totaling \$4,299,354 or **3.8%**

Total FTE 16

Capital Projects Fund

Capital project for AB West \$10,816,072 or **9.5%**

Total FTE - None

Total FTE 429 -General Fund 47.5% Internal Service (Facilities) Fund **Total Expenditures**

Total Expenditures \$6,040,761 or **5.3%** Total FTE 49.5

Special Revenue

Funds

Grants totaling \$35,593,649 or **31.2%**

Total FTE 398

Debt Service Fund

Debt Service Payments totaling \$3,14,593 or **2.8%**

Total FTE -None

Pending Note: \$300,000 sources to be added in appropriation for 3% salaries and HDL.



Budgetary Assumptions



FY 2017-2018

Basis of Accounting

Modified and Accrual

Budgets are prepared based on the projection of cash basis – inflows and outflows to the Department and adjusted at year end for accruals.

Growth Rate 3%

Property Values

increased to \$437

Billion or

3.5% increase from a year a go, thus recommending a tax

rate of \$.0051 which is below the Effective

Tax Rate.

\$3.8 Planned **Expenditures**

One time Capital Expenditures

Capital improvements that utilize funds to invest in program upgrades and facilities

Balanced Approach

Revenues equal **Expenditures for Operating**

Projected Revenues & Appropriations

Include **3%** salary increases and no other change in benefits

Business Model

Formula

The sum of fees, taxes, indirect cost must be balanced with growth, market fees, expenditure needs, compliance, salaries, sustainability and performance ratios.

Positions

Positions Total FTE are

and 11.05

additional positions are requested for School Based Therapy (2.05)

Recovery HS (2) Special Schools (3)

Choice (1)

Records (1)

Debate –CASE (1)















FY 2017-2018

Major Initiatives

95%

Top 3 New Programs

Recovery HS

Operating Budget \$927,368 Plus facilities charges of \$167,969 Personnel 10 Capital Project One Time \$950,000

CASE Debate Program Operating Budget \$347,528 Personnel 1

Partnership with ISD and HUDL

Capital Improvements

Development Plans projected for FY 18 Financial Plan

\$2,000,000 total for various

projects such as \$750,000 -Building Improvements, Adult Ed -Cross-Timbers Renovation **Culinary Kitchen** On Going: **AB West Project**

Recovery HS Program

Recovery Therapy 45% High School Special Schools 36% CASE Choice Capital Improvements Records Management 8% Teaching & Learning 6%

Top 5 Fee Sources

School Based Therapy (#1 Fee INFLOW Source)

Total Revenue \$9.6 M

Projected Performance Ratio 86%

Special Schools (#2 Fee INFLOW Source)

Total Revenue for 3 schools \$7.7M

Projected Performance Ratio 76%,68%,76%

Choice Cooperative (#3 Fee INFLOW Source)

Total Revenue \$4.3 M

Total Transfer to G/Fund \$1.9 M or 4% of overall G/F

Projected Performance Ratio 180% of expenses

Records Management (#4 Fee INFLOW Source)

Total Revenue \$1.7 M

Projected Performance Ratio 96%

Teaching & Learning (#5 Fee INFLOW Source)

Total Revenue \$1.2M

Projected Performance Ratio Varies by Division



General Fund Other Revenue Sources

FY 2017-2018

Other Revenues in General Fund

Safe and Secure Schools

Total Revenue \$300,000

Performance Ratio 63%

Misc. Revenues

Other revenues \$153,175 includes HCDE Plus, Research, Technology, etc.



Misc





Educator Certification

Total Revenue \$506,010
Performance Ratio 77%

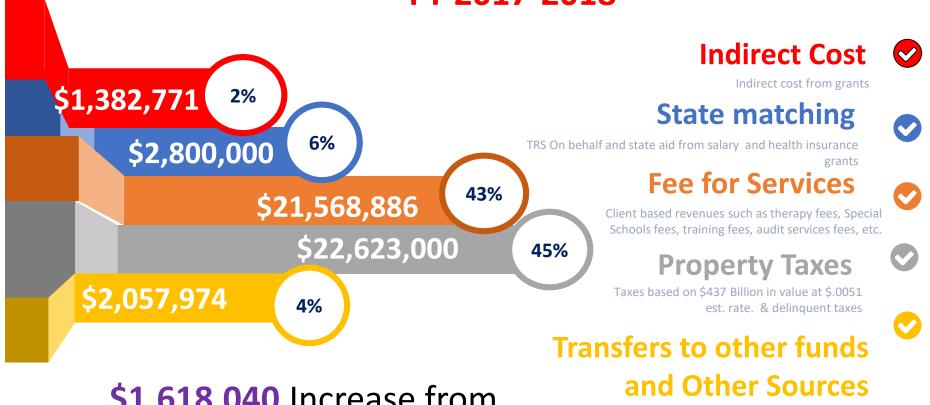
Recovery HS

Total Revenue \$200,000
Performance Ratio –
Partial –Projected



General Fund Revenues \$50,432,631

FY 2017-2018

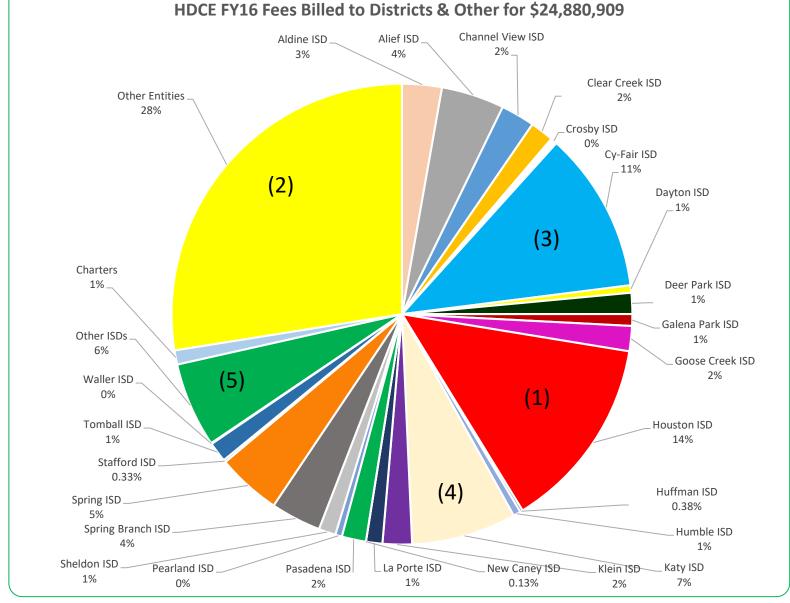


\$1,618,040 Increase from \$48,814,591 Or 3.3% Increase

Transfer in from Choice Partners Coop and interest earnings



Client Fees (INFLOWS)



Includes fees from: General Fund, TX-VSN & Choice



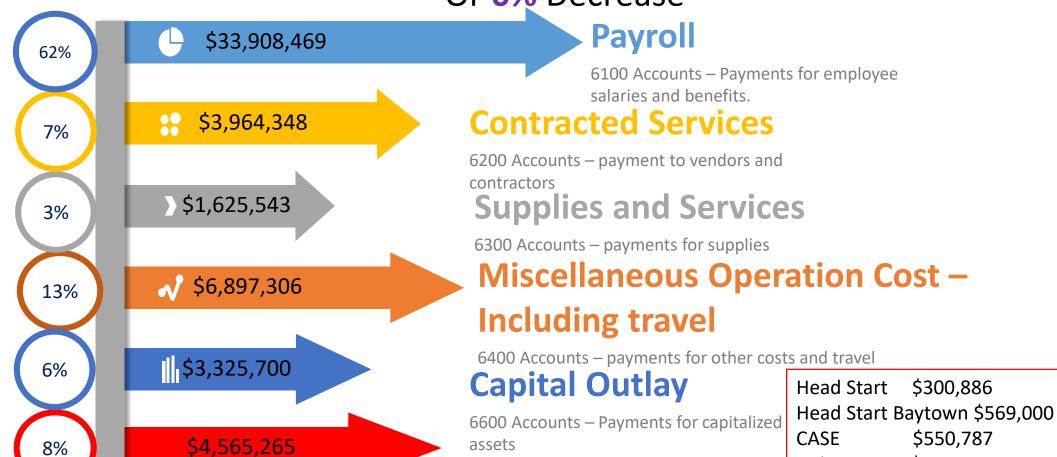


General Fund Expenditures \$54,286,631 **FY 2017-2018**

\$1,374,960 Decrease from \$55,661,591

Or 6% Decrease

Transfers Out



6600 Accounts – transfers to other funds – debt service and grants

Debt Service \$3,144,592



Property Tax Rate \$.01 Maximum Five Year History

\$.006358

FY 2014

Effective Tax Rate

\$.005999

FY 2015

Effective Tax Rate

\$.005422

FY 2016

Below the Effective

Tax Rate

\$.0052

FY 2017

Below the Effective

Tax Rate

\$.0051

FY 2018

Projected

to be **below** Effective

Tax rate.

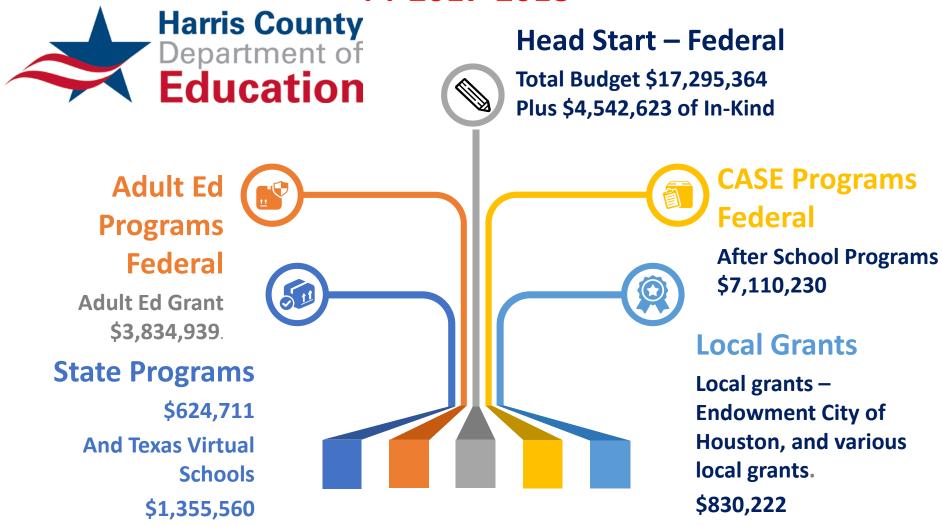
\$319 Billion \$346 Billion \$392 Billion \$4

\$422 Billion \$4

\$437 Billion

Total Grants \$35,593,649

FY 2017-2018





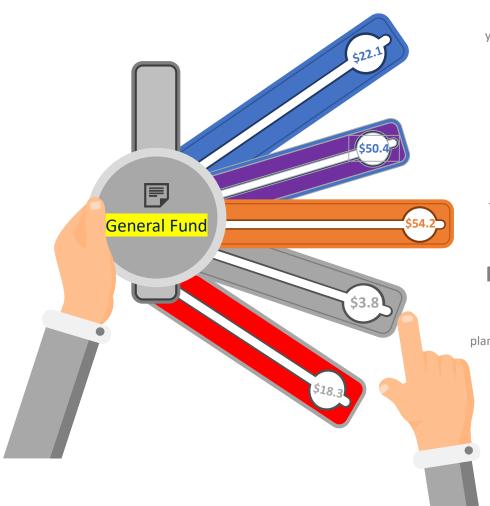
Estimated Tax Rate

	FY 2017		FY 2018		
			Estimated	Effective Tax	
		Current as of May 31, 2017	Rate		
	ADOPTED	ADOPTED		ESTIMATED	Reduction i
	TAX RATE	TAX RATE		EFF. TAX RATE	Tax rate
	0.0052	0.005200		0.005100	(0.000
Certified Taxable Value per HCAD	\$ 380,379,454,270	\$ 420,389,001,754	100% of certified	\$ 437,880,499,666	•
Values under protest or not certified	38,689,734,822	687,114,964			
	419,069,189,092	421,076,116,718		437,880,499,666	
/ Rate per Taxable \$100	4,190,691,891	4,210,761,167		4,378,804,997	
X Tax Rate	21,791,598	21,895,958	@ 100% ->	22,331,905	
X Estimated 99% collection rate	21,595,473	21,698,894	@ 99.75% ->	22,276,076	
	Budgeted				
+Delinquent Tax Collections	200.000	200,000		155,000	
+Special Assessments	10,000	10,000		15,000	
+ Penalty & Interest	180,000	180,000	1	180,000	
Estimated Current Tax Available for Operations:		\$ 22,088,894	1	\$ 22,626,076	
		Budgeted \$22,623,000			



General Fund Fund Balance

FY 2017-2018



Beginning Fund Balance

This is the projected fund balance based on last year's estimates. The audited fund balance will be available until January.

\$22.1

Plus Revenues

These are the projected revenues- INFLOWS

\$50.4

Less Appropriations

These are the projected expenditures. OUTFLOWS

\$54.2

Net Use of Projected Fund Balance

Fund \$3.8

This is the net effect on fund balance based on planned capital expenditures that are one time use of fund balance.

Ending Fund Balance

This is the projected Ending Fund Balance.

\$18.3



Capital Improvements

Wolfe-NPO Building, etc.)

Development Plans for

FY 2017-2018





Fund Balance **\$18,295,717**

FY 2017-2018

\$159,613

\$0

\$1,200,000

\$679,276

\$16,256,828











Non Spendable

shall mean that portion of the gross fund balance that is not expendable (such as inventories) or is legally earmarked for a specific use such as the self-funded reserves program.

Restricted

includes amounts constrained to a specific purpose by the provider, such as grantor.

Committed

shall mean that portion of the fund balance that is constrained to a specific purpose by the Board of Trustees.

Assigned

shall mean that portion of the fund balance that is spendable or available for appropriation but has been tentatively earmarked for some specific purpose by the Board of Trustees and/or the Superintendent.

Unassigned

includes amounts available for any legal purpose.



- Board Review June 13, 2017
- Board Workshop June 27 or July 20, 2017
- Required Posting –Houston Chronicle 10 days prior -
- Target Budget Approval Date July 18, 2017
- Target Date Certified Value August 25, 2017
- Target Date Tax Date Approval Date September 19, 2017