



Harris County
Department of
Education

One source for all learners.

#oneforall



Harris County
Department of
Education

One source for all learners.

#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



Grants



Facilities



Records
Management



Choice Partners



Business Services



Texas Virtual
School Network

One Source for All Learners



Business
Services

FY 2017-2018 Annual Budget Summary July 18, 2017 Budget Workshop



Submitted to Board of Trustees

by

James Colbert Jr. Superintendent

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



Harris County
Department of
Education

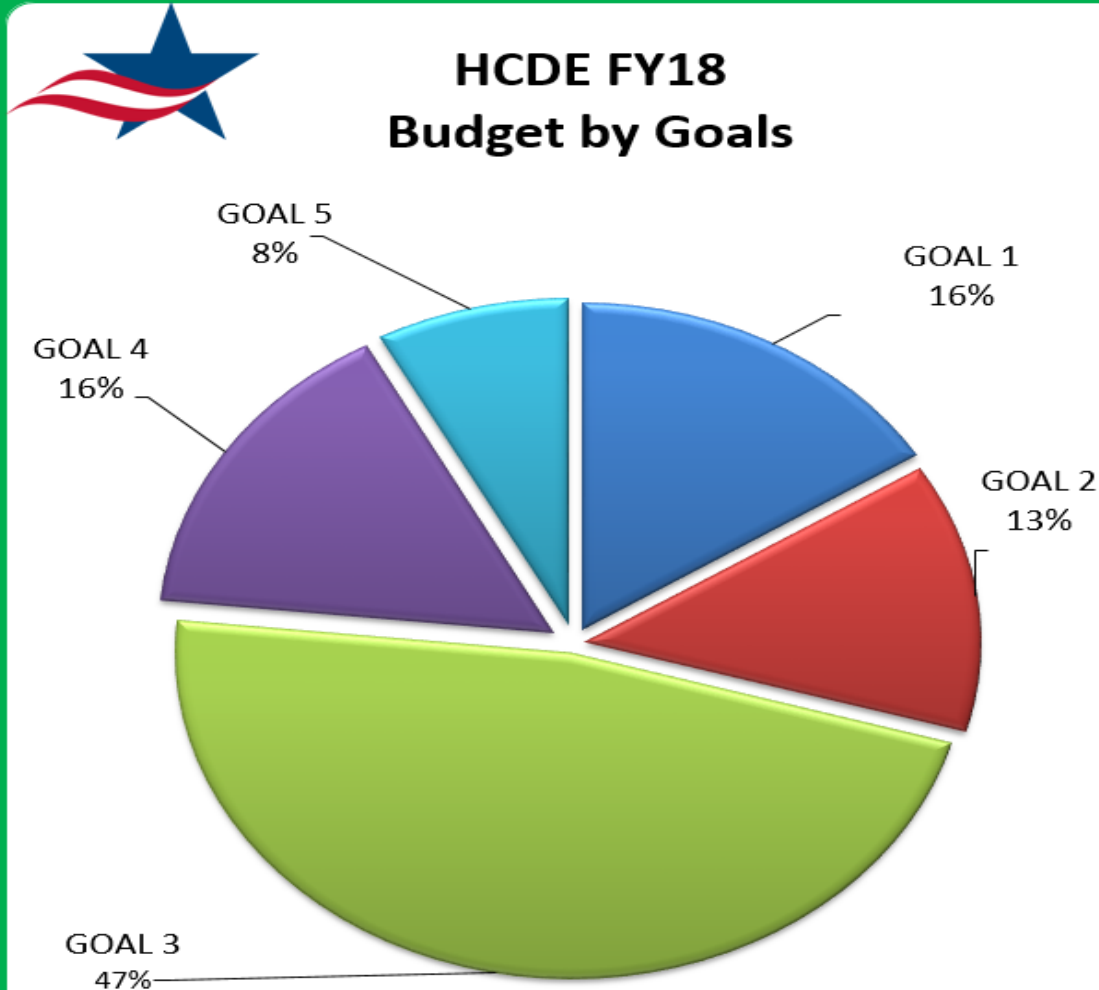


Harris County
Department of
Education

Agenda

1. Introduction
2. Superintendent's Overview
3. Annual Budget Overview FY 2017-2018
4. Next Steps
5. 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.**

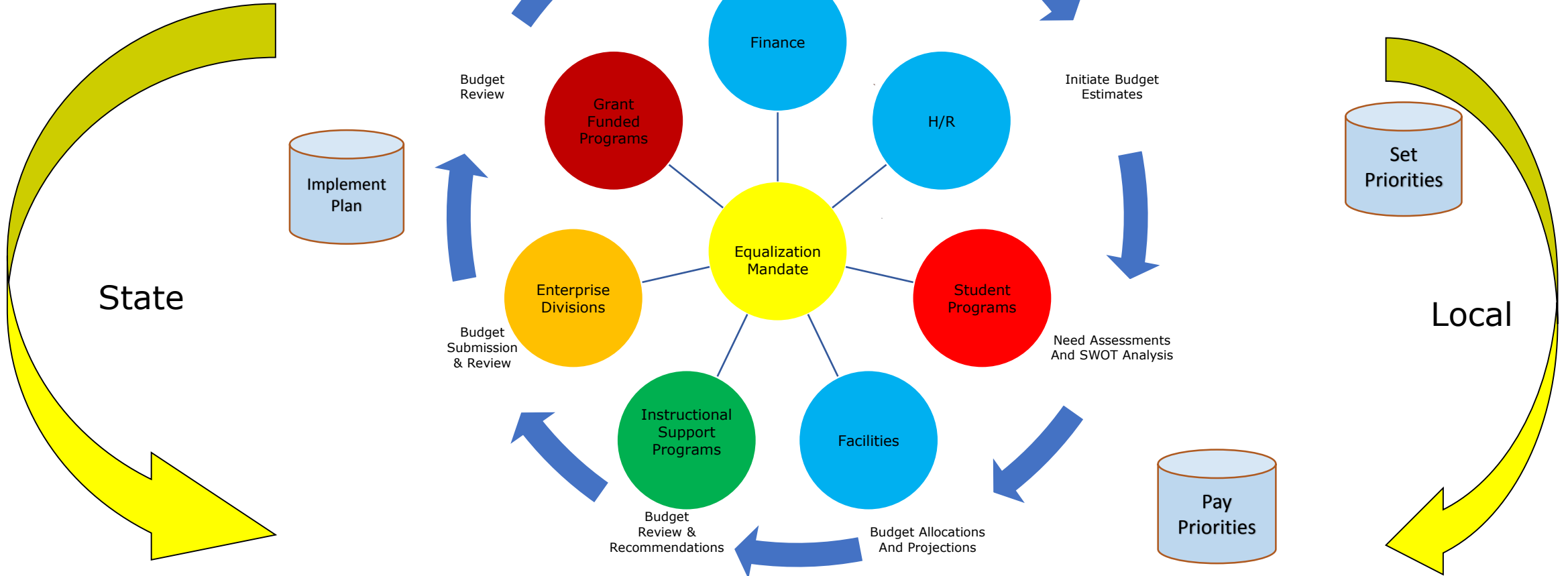
Goal 4:

- **Provide cost-savings to school districts by leveraging tax dollars**

Goal 5:

- **Recruit and maintain a high-quality professional staff**

Goals Planning Cycle





\$114,521,059
TOTAL BUDGET
FY 2017-2018
General Fund

\$54,626,631 or **47.7%**
Total FTE 429

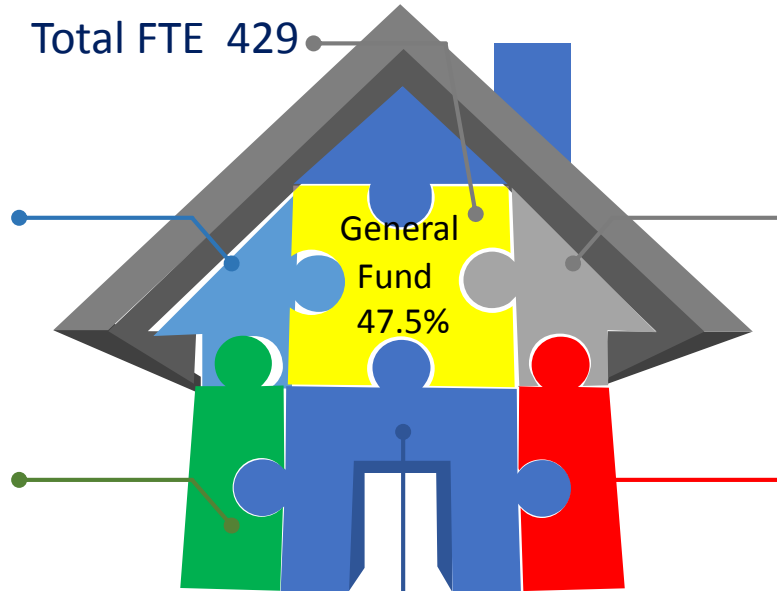
Enterprise Fund

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 **9.4%**
Total FTE – None



**Special Revenue
Funds**

Grants totaling
\$35,593,649 or **31.1%**
Total FTE 398

Debt Service Fund

Debt Service Payments
totaling \$3,144,592 or
2.7%
Total FTE – None







**Internal Service
(Facilities) Fund**

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

Budgetary Assumptions



FY 2017-2018

<p>Basis of Accounting</p> <p>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.</p>	<p>Growth Rate 3%</p> <p>Property Values increased to \$437 Billion or 3.5% increase from a year ago, thus recommending a tax rate of \$.0051 which is below the Effective Tax Rate.</p>	<p>\$3.8 Planned Expenditures</p> <p>One time Capital Expenditures Capital improvements that utilize funds to invest in program upgrades and facilities</p>	<p>Balanced Approach</p> <p>Revenues equal Expenditures for Operating Projected Revenues & Appropriations Include 3% salary increases and no other change in benefits</p>	<p>Business Model</p> <p>Formula The sum of fees, taxes, indirect cost must be balanced with growth, market fees, expenditure needs, compliance, salaries, sustainability and performance ratios.</p>	<p>Positions</p> <p>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)</p>
					



FY 2017-2018 Major Initiatives

95%

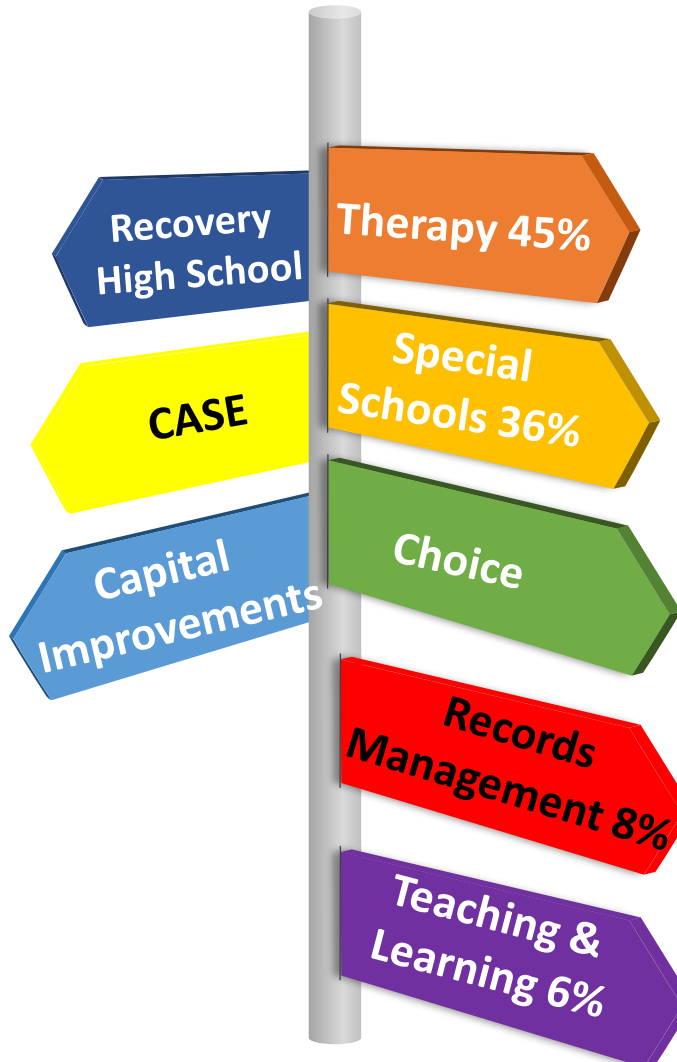
Top 3 New Programs

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



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 of Fees

FY 2017-2018



Safe and Secure Schools
Total Revenue \$300,000
Performance Ratio 63%

Misc. Revenues
Other revenues
\$243,175 includes
HCDE Plus, CASE,
Grants, Research,
Technology, etc.



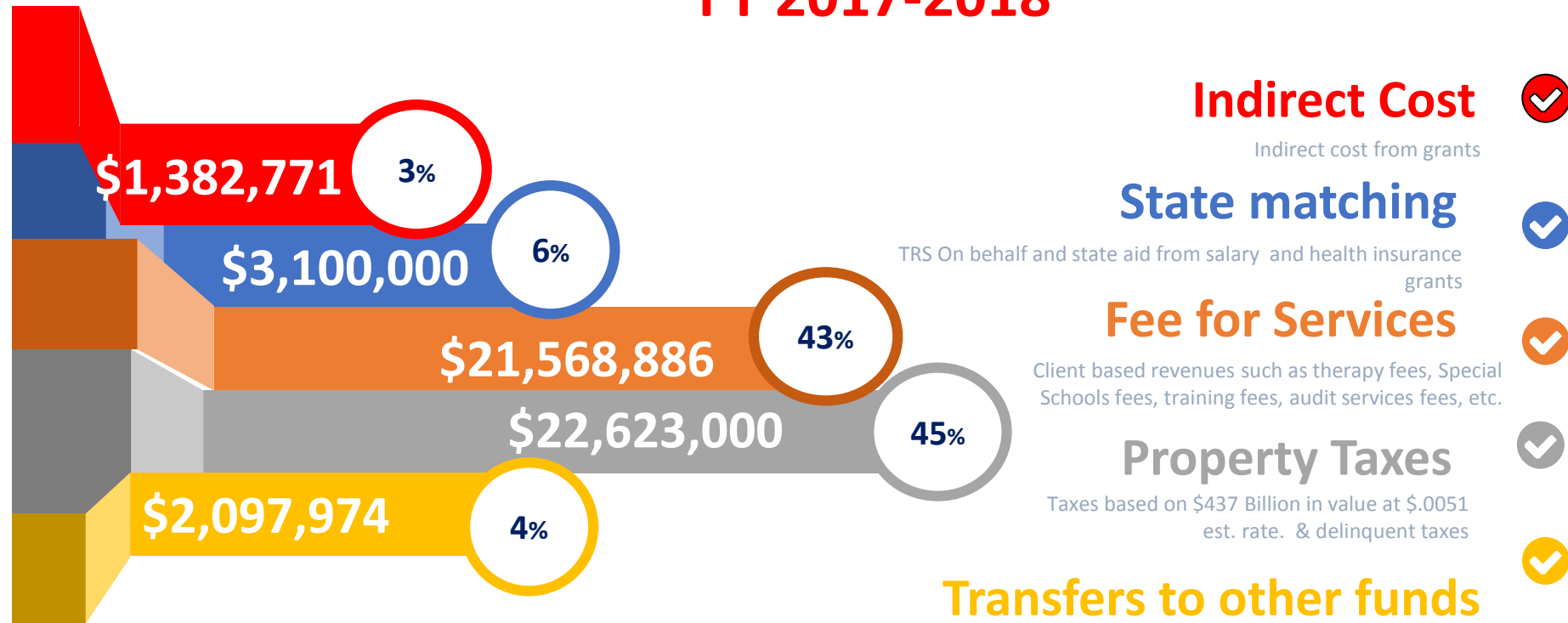
Educator Certification
Total Revenue \$506,010
Performance Ratio 77%

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



General Fund Revenues
\$50,772,631

FY 2017-2018



\$1,958,040 Increase from
\$48,814,591
Or **4%** Increase

Indirect Cost ✓

Indirect cost from grants

State matching ✓

TRS On behalf and state aid from salary and health insurance grants

Fee for Services ✓

Client based revenues such as therapy fees, Special Schools fees, training fees, audit services fees, etc.

Property Taxes ✓

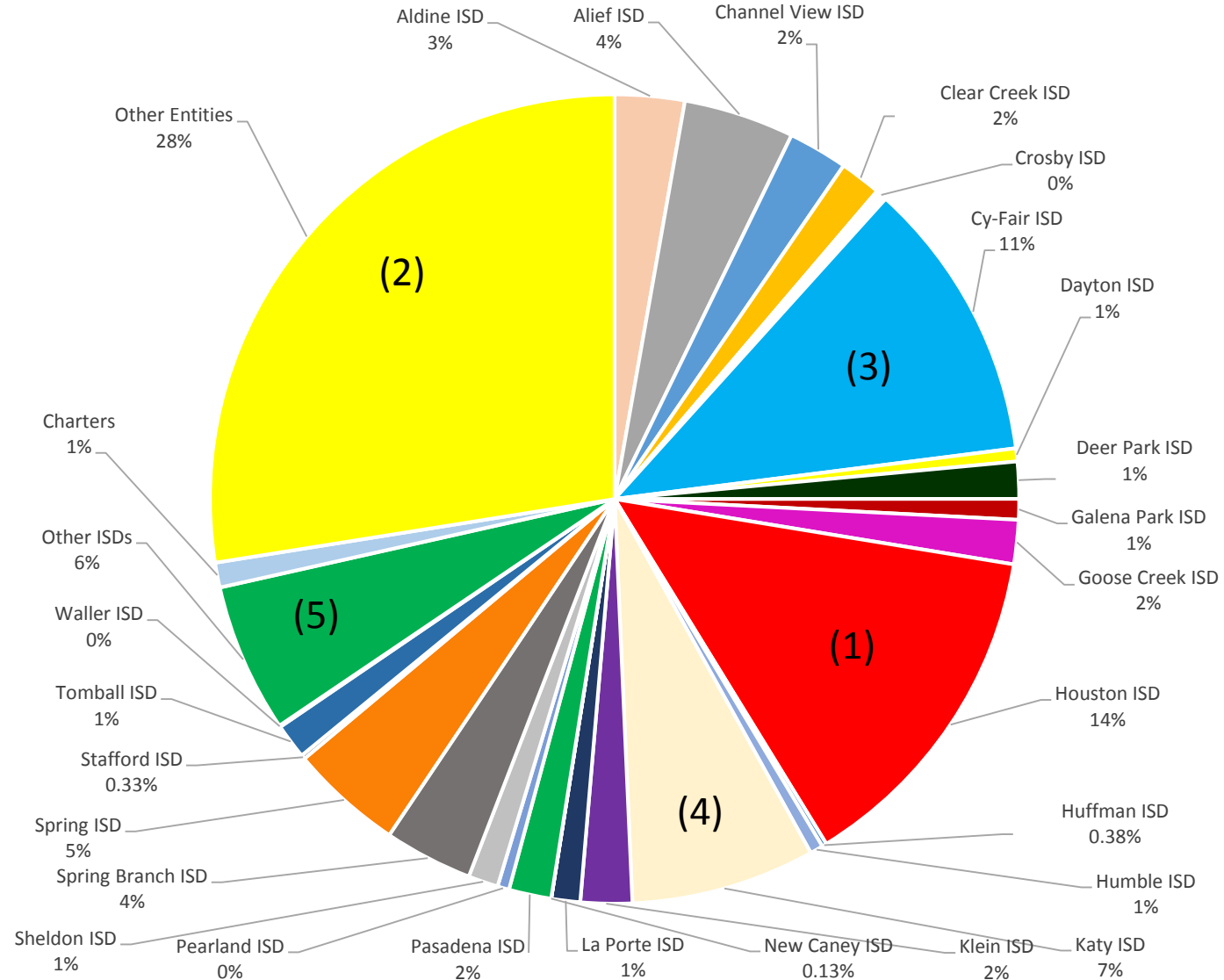
Taxes based on \$437 Billion in value at \$.0051 est. rate. & delinquent taxes

Transfers to other funds and Other Sources ✓

Transfer in from Choice Partners Coop and interest earnings

Client Fees (INFLOWS)

HDCE FY16 Fees Billed to Districts & Other for \$24,880,909



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

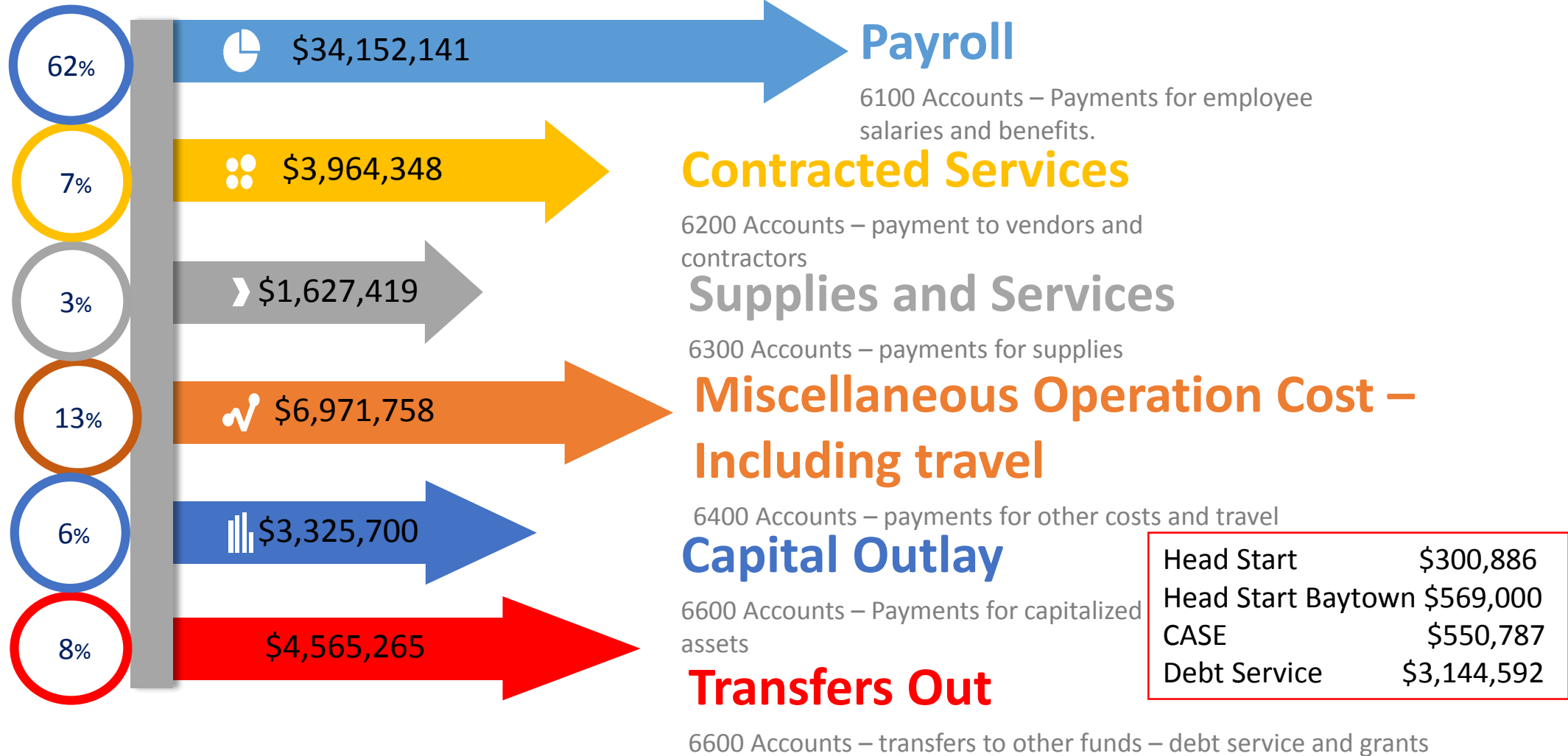
General Fund Expenditures

\$54,626,631

FY 2017-2018

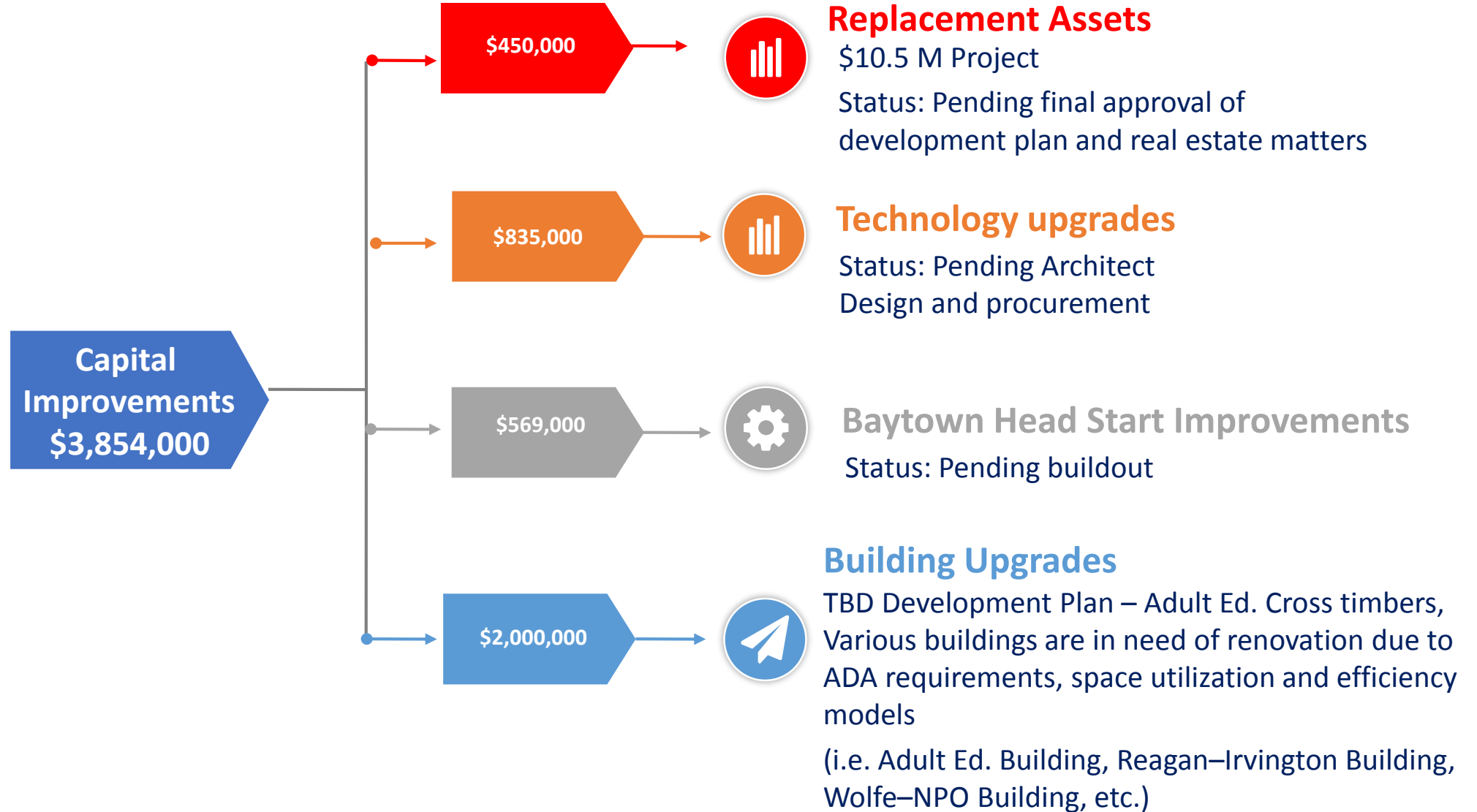
\$1,034,960 Decrease from \$55,661,591

Or **2% Decrease**

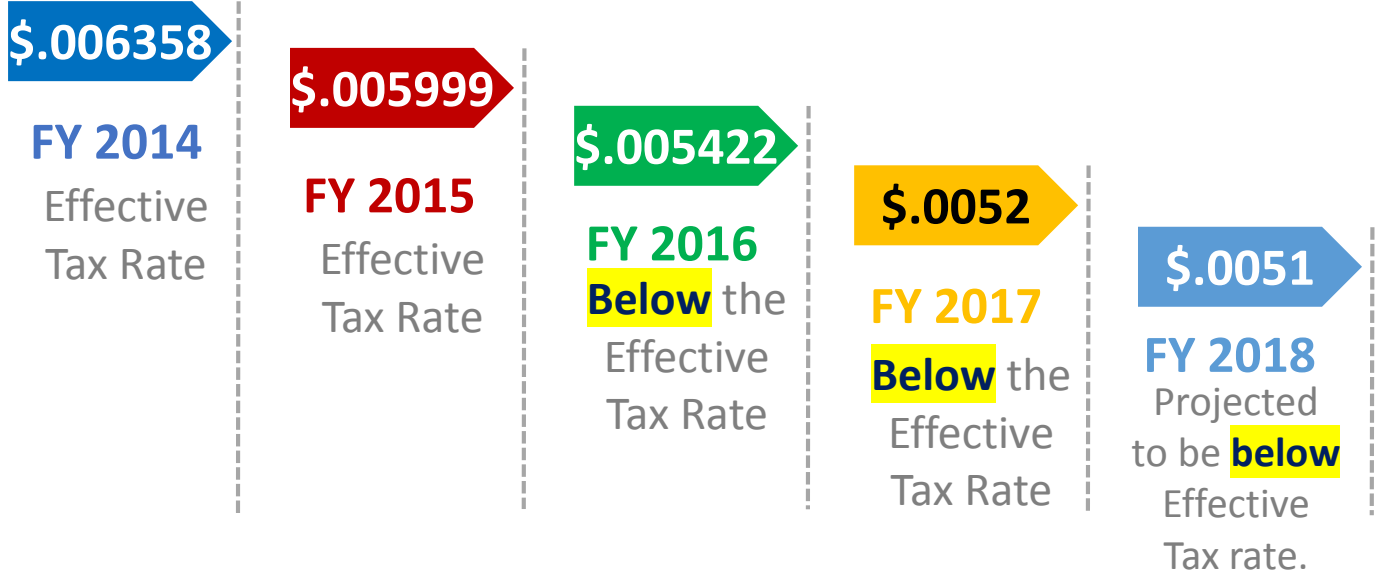




Planned Use of Fund Balance for one time expenditures FY 2017-2018



Property Tax Rate **\$.01** Maximum Five Year History



Total Grants \$35,593,649

FY 2017-2018



Head Start – Federal

Total Budget \$17,295,364
Plus \$4,542,623 of In-Kind

Adult Ed Programs Federal

Adult Ed Grant
\$3,834,939.

State Programs

\$624,711

And Texas Virtual
Schools

\$1,355,560

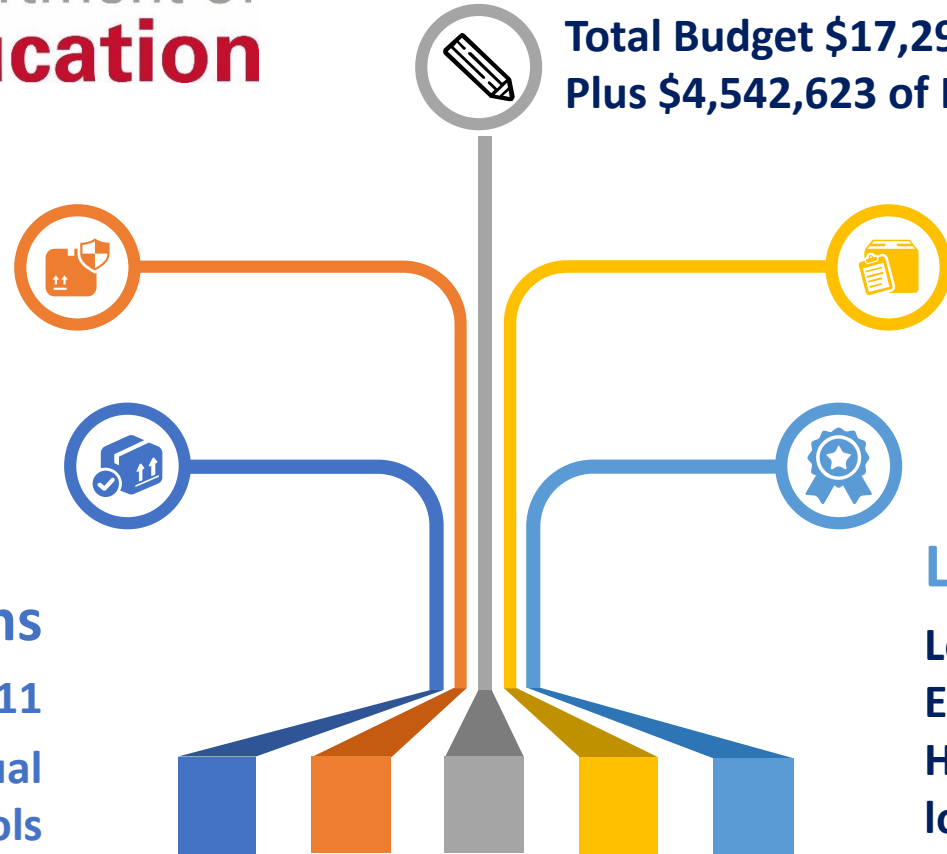
CASE Programs Federal

After School Programs
\$7,110,230

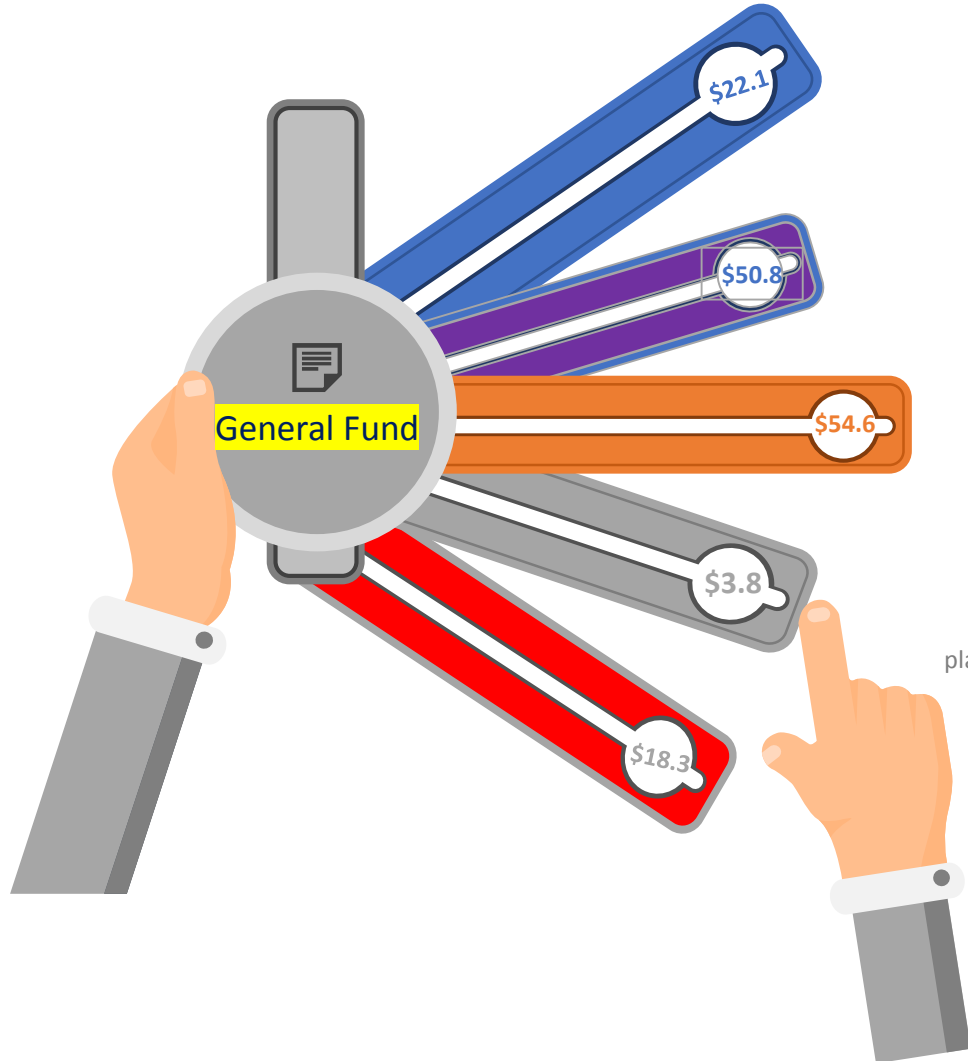
Local Grants

Local grants –
Endowment City of
Houston, and various
local grants.

\$830,222



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

\$50.8

Less Appropriations

These are the projected expenditures. OUTFLOWS

\$54.6

Net Use of Projected Fund Balance

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

\$3.8

Ending Fund Balance

This is the projected Ending Fund Balance.

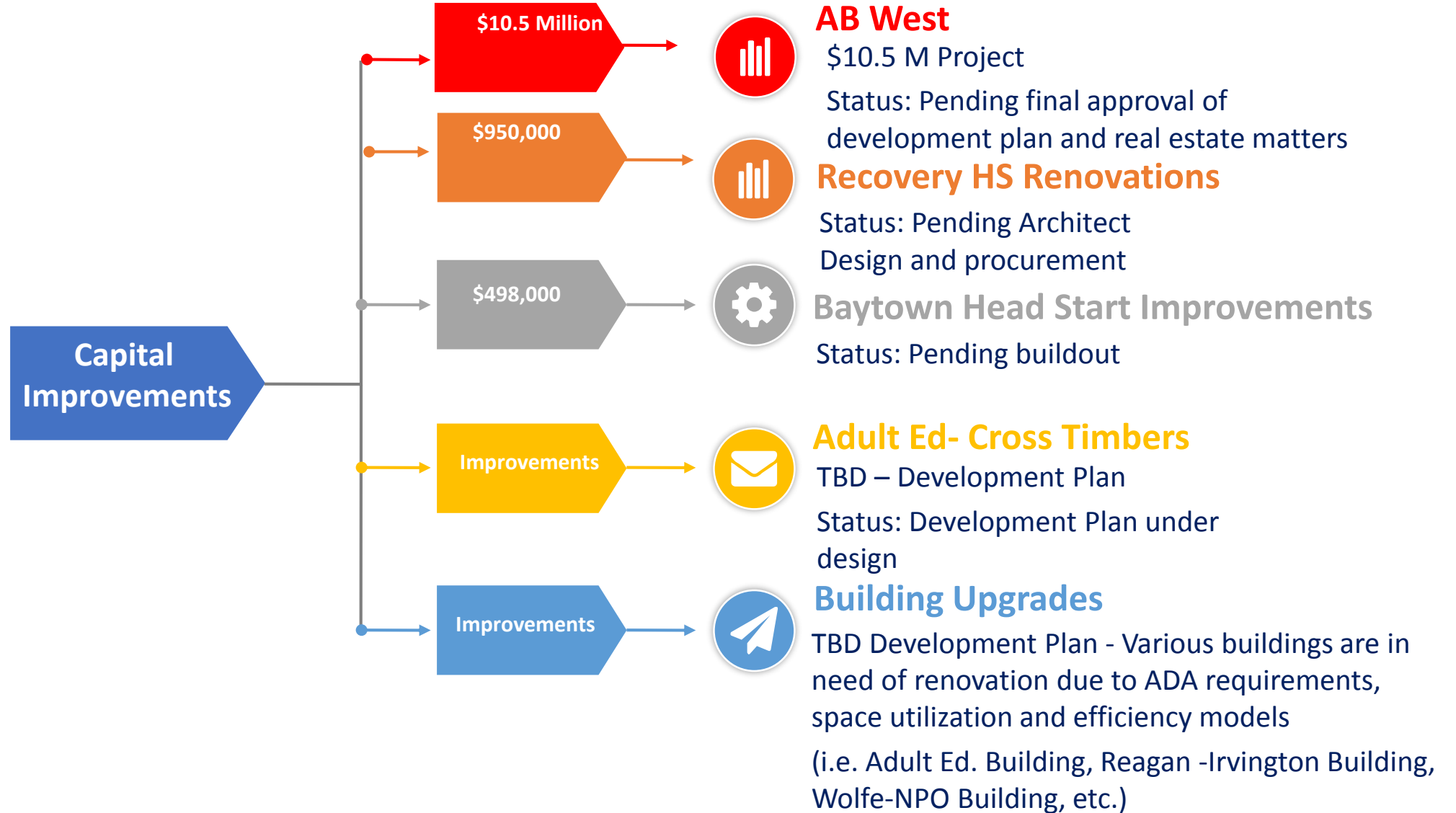
\$18.3



Capital Improvements

Development Plans for

FY 2017-2018



Fund Balance
\$18,295,717

FY 2017-2018

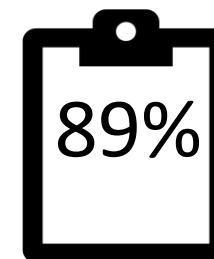
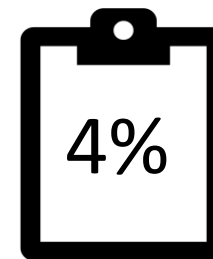
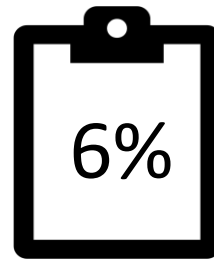
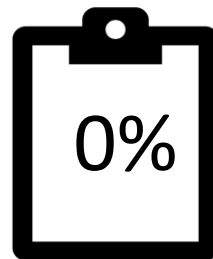
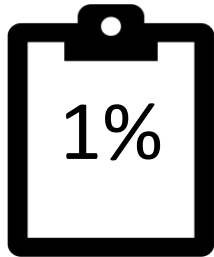
\$159,613

\$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.

Next Steps



Harris County Department of Education

- Board Review – June 13, 2017
- Board Workshop – June 27 or July 18, 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