



2022-2023 Budget Information

Board Workshop – August 16, 2022



Agenda

- Budget Adoption Requirements
- 2022-2023 Proposed Budget
- 2022-2023 Proposed Tax Rate
- Debt Service Overview 2022-2023
- Summary Recommendations
- Questions



Budget & Tax Rate Adoption Requirements

- The Annual budget must be proposed to the Board of Trustees by August 20 and adopted by August 31.
- The budget must be proposed at a minimum of the function level and include the General Fund, Debt Service Fund and Child Nutrition Fund.
- A public hearing on the budget and tax rate must be planned and published.
- A summary of the budget must be posted on the district's website.
- The budget and tax rate may be adopted at the same or separate meeting, but the budget **MUST** be adopted prior to the tax rate.
- **The tax rate calculations must be posted with the budget and/or tax rate information. (NEW)**
- **If the board adopts a tax rate above the district's VATR or compressed tax rate, it must hold an election for voters to approve that rate and order that election by August 22, 2022**
- The final budget must be posted on the district's website.
- The final budget must be filed with TEA.



2022-2023 Proposed Budget Information



2022-2023 Budget Assumptions

Enrollment 14,689
ADA 13,725

Attendance Rate
95%

Property Value Growth
10.726%
(Net taxable after
additional homestead
exemption)



2022-2023 Tax Rate Calculations for the Proposed Budget

	2021-2022 Tax Rate	2022-2023 Compressed Tax Rate*
Maint & Operations	\$0.9522	\$0.8851
Debt Service	\$0.263	\$0.2630
Total	\$1.2152	\$1.1481
Decrease		(\$0.0671)

* The Compressed Tax Rate will be used to calculate revenue for the proposed budget.



2022-2023 Proposed Budget

	General Fund	Debt Service Fund	Child Nutrition Fund	Total Proposed Budget
Local Revenue				
Property Taxes	\$ 110,452,000	\$ 30,378,095	\$ -	\$ 140,830,095
Other Local	\$ 1,106,700	\$ 60,000	\$ 2,950,946	\$ 4,117,646
State Revenue				
Foundation and PSF	\$ 8,873,205	\$ 265,770		\$ 9,138,975
TRS on Behalf	\$ 7,181,989	\$ -	\$ 30,000	\$ 7,211,989
Federal Revenue	\$ 3,150,000	\$ -	\$ 4,621,725	\$ 7,771,725
Total Proposed Revenue	\$ 130,763,894	\$ 30,703,865	\$ 7,602,671	\$ 169,070,430
Proposed Appropriations	\$ 132,278,170	\$ 30,703,865	\$ 7,602,671	\$ 170,584,706
Proposed Net Affect on Fund Balance	\$ (1,514,276)	\$ -	\$ -	\$ (1,514,276)



2022-2023 Additions to the General Fund Budget

- Compensation Plan A – Approved in June of 2022
 - Increases beginning teacher pay to \$47,725
 - 2% of prior year base pay for teachers, librarians & registered nurses
 - 2% of midpoint for all other employees
- Additional Special Education Positions
- CTE increases due to program growth
- 2 Additional School Resource Deputies
- Inflation for items such as fuel, school resource deputy contract, property & casualty insurance, Brazos Central Appraisal District, Software
- Other miscellaneous supplies and expenses to accommodate student growth



Proposed Tax Rate



2022-2023 Proposed Tax Rate

	2021-2022 Tax Rate	2022-2023 Compressed Tax Rate*	2022-2023 Proposed Tax Rate **
Maint & Operations	\$0.9522	\$0.8851	\$0.9151
Debt Service	\$0.263	\$0.2630	\$0.263
Total	\$1.2152	\$1.1481	\$1.1781
Decrease		(\$0.0671)	(\$0.0371)

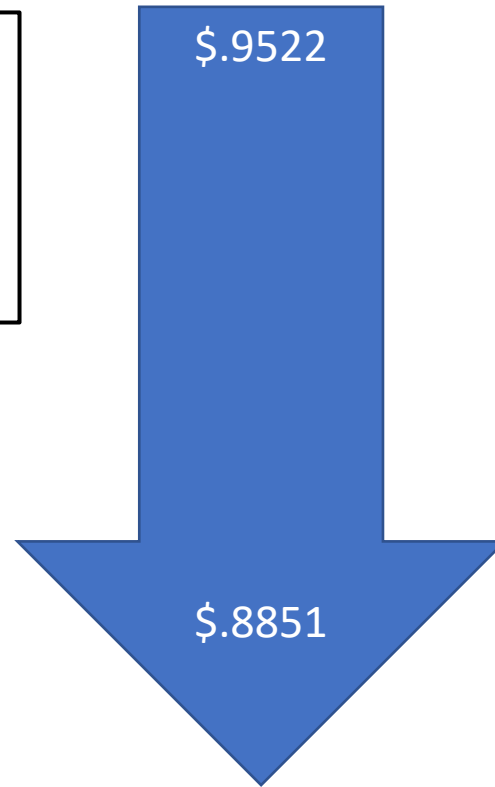
* The Compressed Tax Rate will be used to calculate revenue for the proposed budget.

** Proposed Tax Rate is recommended for adoption which will require a Voter Approved Tax Rate Election (VATRE).



VATRE & Compressed M&O Tax Rate for 2022-2023

Mandated tax rate compression will lower the M&O tax rate by \$.067 from \$.9522 to \$.8851.



If an order for a VATRE for November 2022 is ordered by Trustees and the voters approve, the tax rate would decline by \$.037 from 2021-2022 instead of \$.067.

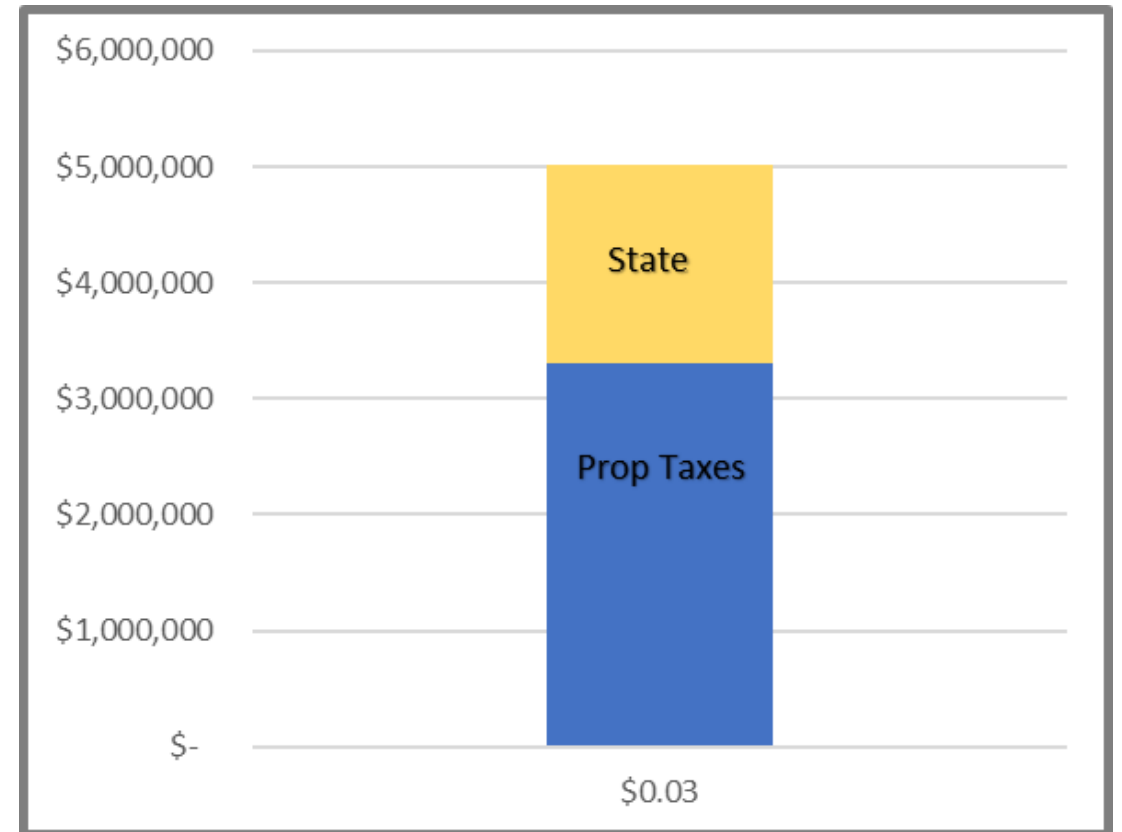
The above is based on 10.76% property value growth.



Revenue Generated at the Proposed General Fund Tax Rate

	Tax Ratification Election (TRE)	
	\$	0.03
Property Taxes	\$	3,300,000
State Revenue	\$	1,715,431
Estimated Total Additional Revenue	\$	5,015,431
Per Penny	\$	1,671,810

The above funds are estimated to fund additional compensation and balance the General Fund Budget.





CSISD Approved Compensation Plans

Description	Plan A (Effective with the original budget)	Plan B (Contingent upon a VATRE order and passage by voters in Nov 2022)	Total (Total increase if both Plan A and Plan B are implemented)
Effective Date	Beginning of the eligible employees' 2022-2023 contract or employment agreement	Beginning of the eligible employees' 2022-2023 contract or employment agreement (if TRE is called and passes)	Back pay will be calculated and paid if Plan B is implemented, and future payments adjusted accordingly
Beginning Teacher Pay	\$47,725	\$49,600	\$49,600
Salary Increase (Teachers/Librarians/RN's)	Base pay increase of 2% from 2021-2022 base pay	<u>Additional</u> 4% from 2021-2022 base pay	<u>Total</u> of 6% increase from 2021-2022 base pay
Professionals/Clerical/ Auxiliary pay groups	Base pay increase of 2% of pay grade midpoint	<u>Additional</u> 4% of pay grade midpoint	<u>Total</u> of 6% increase of paygrade midpoint
Administrators	Base pay increase of 2% of pay grade midpoint	<u>Additional</u> 2% of pay grade midpoint	<u>Total</u> of 4% increase of paygrade midpoint

Plan A is included with the Proposed Budget. If the VATRE order is approved and the voters approve it, Plan B as authorized in June 2022 will be implemented.



Order Calling a Voter Approval Tax Rate Election

- The Proposed Tax Rate for M&O exceeds the calculated compressed rate, therefore requiring an Order Calling A Voter Approval Tax Rate Election (VATRE)
- The Election will take place on the Uniform Election Date of November 8, 2022
- Early voting begins October 24, 2022



Ballot Language

COLLEGE STATION INDEPENDENT SCHOOL DISTRICT SPECIAL ELECTION COLLEGE STATION INDEPENDENT SCHOOL DISTRICT PROPOSITION A

FOR	_____)	Ratifying the ad valorem tax rate of \$1.1781 per \$100 valuation in
)	College Station Independent School District for the current year, a rate
)	that will result in an increase of 6.07% percent in maintenance and
AGAINST	_____)	operations tax revenue for the district for the current year as compared
)	to the preceding year, which is an additional \$6,519,285.

Why is the additional tax revenue higher than estimated with the proposed tax rate?

- The ballot language is prior year M&O tax revenue to projected for 22-23 with the VATRE
- The proposed rate is comparing to the \$0.03 increase only and the ballot has the 2.5% property value growth allowed
- State revenue is not included with the ballot language



Debt Service



2022-2023 Debt Service Fund

Principal Payments	\$ 16,704,300
Interest Payments	\$ 13,984,564
Related Fees	<u>\$ 15,000</u>
Total Scheduled Payments	\$ 30,703,865



Summary



Summary of Recommendations

- A Budget will be prepared and proposed for adoption that includes the following:
 - General Fund, Debt Service Fund, and Child Nutrition Fund
 - Includes Compensation Plan A
 - Revenue will be included at the calculated compressed tax rate for the General Fund and the current tax rate for the Debt Service Fund
 - The result is a \$.067 reduction from the 2021-2022 total tax rate
- The tax rate will be proposed for adoption by resolution at \$.03 higher than the calculated compressed tax rate which is **\$.037 LOWER** than the 2021-2022 total tax rate
- An Order calling for a Voter Approved Tax Rate Election will be presented for consideration.
- An election on the tax rate will occur on November 8, 2022 .
- If the VATRE passes, an amended budget will be presented that recognizes the additional revenue and includes Compensation Plan B.



Budget Timeline

Activity	Date
Open Employee Candidate Pool	March 7
Board Workshop - Budget Update	March 8
Elementary enrollment and Staffing projections released	March 1 - 11
Budget request forms due (non-personnel)	March 22
Secondary enrollment and staffing projections released	March 21 - 25
Department and campus budgets due	March 26
Personnel budget requests due	April 1
Board Workshop - Budget Update	April 19
Preliminary Property Values released	May 1
Board Workshop - Budget Update	May 17
Budget Workshop - Budget Update	May 31
Board Workshop - Budget Update, Compensation Plan	June 21
Board Meeting - Budget Update	July 19
Certified Property Values received	July 25
Maximum Compressed Tax Rate (MCR) announced by TEA	August 1
Advertisements for the Budget and Tax Rate Public Hearing	5-Aug
Public Hearing and Budget and Tax Rate Adoption	August 16



Questions