



2017-2018 BUDGET DISCUSSION

April 10, 2017

Key Decision Points

- Compensation
- Tax Rate
- Revenue
- Fund Balance
- Tax Ratification Election

Base Obligations – General Fund

| | Fiscal Year Ended <u>6/30/2012</u> | | Fiscal Year Ended <u>6/30/2013</u> | | Fiscal Year Ended <u>6/30/2014</u> | | Fiscal Year Ended <u>6/30/2015</u> | | Fiscal Year Ended <u>6/30/2016</u> | |
|----------------------------------|--|----------------|--|----------------|--|----------------|--|----------------|--|----------------|
| Payroll | \$ 220,067,010 | 89.24% | \$ 225,746,669 | 89.82% | \$ 240,279,376 | 90.02% | \$ 251,600,489 | 89.86% | \$ 262,820,919 | 90.01% |
| Utilities | 7,243,510 | 2.94% | 5,997,876 | 2.39% | 6,786,875 | 2.54% | 7,825,533 | 2.79% | 7,046,291 | 2.41% |
| Student Transportation | 2,862,045 | 1.16% | 4,334,876 | 1.72% | 4,553,984 | 1.71% | 5,194,781 | 1.86% | 5,537,229 | 1.90% |
| Dallas County Appraisal District | 866,366 | 0.35% | 857,298 | 0.34% | 874,517 | 0.33% | 895,510 | 0.32% | 929,897 | 0.32% |
| Election Cost | 33,506 | 0.01% | 282,935 | 0.11% | 309,441 | 0.12% | - | 0.00% | 341,690 | 0.12% |
| Insurance Cost | 208,558 | 0.08% | 209,707 | 0.08% | 214,583 | 0.08% | 244,798 | 0.09% | 229,726 | 0.08% |
| Gasoline and Other Fuels | 311,329 | 0.13% | 276,908 | 0.11% | 260,624 | 0.10% | 208,247 | 0.07% | 161,059 | 0.06% |
| All other costs | <u>15,024,253</u> | <u>6.09%</u> | <u>13,646,005</u> | <u>5.43%</u> | <u>13,618,506</u> | <u>5.10%</u> | <u>14,031,471</u> | <u>5.01%</u> | <u>14,900,303</u> | <u>5.10%</u> |
| | <u>\$ 246,616,577</u> | <u>100.00%</u> | <u>\$ 251,352,274</u> | <u>100.00%</u> | <u>\$ 266,897,906</u> | <u>100.00%</u> | <u>\$ 280,000,829</u> | <u>100.00%</u> | <u>\$ 291,967,114</u> | <u>100.00%</u> |

Compensation

- 3% - \$6,850,000
- 2% - \$4,570,000
- 1% - \$2,285,000
- District's contribution to health insurance premium
 - *Not part of TRS eligible salary*
 - *3,543 of 5,171 employees participate in TRS-ActiveCare through the District*

Health Insurance Benchmark

2016-17 TRS ActiveCare Premium Contributions by District

| Plan | COVERAGE | 2016-17 | RISD | RISD | Benchmark District Contributions as of March 2017 | | | | | | | | | | |
|----------------|--------------|---|--------------|---------|---|------------------------|-----|-------|--------|---------|-----|--------|----------|-------|---------------|
| | | PREMIUM | Participants | | Allen | ² Arlington | CFB | Creek | Frisco | Garland | HEB | Irving | McKinney | Plano | Spring Branch |
| | | ³ 1-HD Emp Only Employee Premium | | 63 | 1 | 86/71 | 79 | 61 | 16 | 16 | 116 | 0 | 35 | 82 | 25 |
| 1-HD | *Emp Only | 341 | 1231 | 278 | 340 | 255/270 | 262 | 280 | 325 | 325 | 225 | 341 | 306 | 259 | 316 |
| 1-HD | Emp & Spouse | 914 | 37 | 278 | 340 | 255/270 | 262 | 325 | 325 | 325 | 225 | 341 | 306 | 259 | 564 |
| 1-HD | Emp & Child | 615 | 192 | 278 | 340 | 255/270 | 262 | 305 | 325 | 325 | 225 | 341 | 306 | 259 | 415 |
| 1-HD | Family | 1231 | 36 | 278 | 340 | 255/270 | 262 | 350 | 325 | 325 | 225 | 341 | 306 | 259 | 656 |
| | | | 1496 | | | | | | | | | | | | |
| Select | Emp Only | 484 | 215 | 278 | 340 | 255/270 | 262 | 280 | 325 | 325 | 225 | 341 | 306 | 259 | 398 |
| Select | Emp & Spouse | 1147 | 8 | 278 | 340 | 255/270 | 262 | 325 | 325 | 325 | 225 | 341 | 306 | 259 | 472 |
| Select | Emp & Child | 779 | 74 | 278 | 340 | 255/270 | 262 | 305 | 325 | 325 | 225 | 341 | 306 | 259 | 362 |
| Select | Family | 1361 | 11 | 278 | 340 | 255/270 | 262 | 350 | 325 | 325 | 225 | 341 | 306 | 259 | 581 |
| | | | 308 | | | | | | | | | | | | |
| ¹ 2 | Emp Only | 645 | 1089 | 325/360 | 340 | 255/270 | 262 | 280 | 325 | 325 | 225 | 341 | 306 | 259 | 464 |
| 2 | Emp & Spouse | 1552 | 30 | 325/360 | 340 | 255/270 | 262 | 325 | 325 | 325 | 225 | 341 | 306 | 259 | 628 |
| 2 | Emp & Child | 1042 | 451 | 386/421 | 340 | 255/270 | 262 | 305 | 325 | 325 | 225 | 341 | 306 | 259 | 392 |
| 2 | Family | 1597 | 127 | 325/360 | 340 | 255/270 | 262 | 350 | 325 | 325 | 225 | 341 | 306 | 259 | 571 |
| | | | 1697 | | | | | | | | | | | | |
| HMO | Emp Only | 530.16 | 23 | 278 | 340 | 255/270 | 262 | n/a | 325 | 325 | 225 | 341 | 306 | 259 | n/a |
| HMO | Emp & Spouse | 1192.82 | 1 | 278 | 340 | 255/270 | 262 | n/a | 325 | 325 | 225 | 341 | 306 | 259 | n/a |
| HMO | Emp & Child | 839.16 | 10 | 278 | 340 | 255/270 | 262 | n/a | 325 | 325 | 225 | 341 | 306 | 259 | n/a |
| HMO | Family | 1322.98 | 8 | 278 | 340 | 255/270 | 262 | n/a | 325 | 325 | 225 | 341 | 306 | 259 | n/a |
| | | | 42 | | | | | | | | | | | | |

* Opt 1HD - Emp Only is the most utilized plan currently amongst RISD employees

¹RISD funds an added \$35 for staff in ActiveCare 2 with 10+ years of service.

²Arlington contributes \$235 for professional level staff/\$250 for support staff & \$20 additional contribution based on wellness program participation.

³Opt 1-HD Emp Only is the least expensive plan option and the most utilized amongst all ActiveCare participants statewide

4/7/2017

Tax Rate

| | M&O | I&S | Total |
|----------------------|------------------|------------------|------------------|
| <u>Taxable Value</u> | <u>\$1.04005</u> | <u>\$0.35000</u> | <u>\$1.39005</u> |
| \$182,773 | \$1,901 | \$640 | \$2,541 |
| \$200,000 | \$2,080 | \$700 | \$2,780 |
| \$250,000 | \$2,600 | \$875 | \$3,475 |
| \$300,000 | \$3,120 | \$1,050 | \$4,170 |
| \$350,000 | \$3,640 | \$1,225 | \$4,865 |
| \$400,000 | \$4,160 | \$1,400 | \$5,560 |
| \$450,000 | \$4,680 | \$1,575 | \$6,255 |
| \$500,000 | \$5,200 | \$1,750 | \$6,950 |

M&O Revenue

M&O Revenue Analysis

| | FY 16-17 Adopted Budget | FY 17-18 | |
|--------------------------|----------------------------|-----------------------|-----------------------|
| | | Without Lag | 6.00% |
| Certified Value | \$20,279,100,280 | \$20,279,100,280 | \$ 21,495,846,297 |
| Current Tax Rate | | 1.04005 | 1.04005 |
| | | 210,912,782 | 223,567,549 |
| | | 98% | 98% |
| CY Tax Revenue | \$ 187,123,277 | \$ 206,694,527 | \$ 219,096,198 |
| PY Tax Revenue | 1,000,000 | 1,000,000 | 1,000,000 |
| State Revenue | 86,527,097 | 75,443,306 | 75,443,306 |
| TRS On Behalf | 15,457,168 | 15,457,168 | 15,457,168 |
| Other Local Revenue | 8,494,505 | 8,635,000 | 8,635,000 |
| Total Revenue | <u>\$ 298,602,047</u> | <u>\$ 307,230,001</u> | <u>\$ 319,631,672</u> |
| Increase from Prior Year | | <u>\$ 8,627,954</u> | <u>\$ 21,029,625</u> |

- Enrollment
- Property Value
- Legislation
- Philosophy
- Recommendation

Fund Balance Level

- Historic practice – Transfers out at year end to use for capital projects
- How much more than 3 months
- Fund balance legislation

Fund Balance History – General Fund

| | Fiscal Year Ended 6/30/2012 | Fiscal Year Ended 6/30/2013 | Fiscal Year Ended 6/30/2014 | Fiscal Year Ended 6/30/2015 | Fiscal Year Ended 6/30/2016 |
|--------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Nonspendable: | | | | | |
| Inventories | \$ 328,503 | \$ 619,677 | \$ 509,730 | \$ 578,764 | \$ 665,102 |
| Assigned to: | | | | | |
| Construction | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |
| Claims and judgements | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Contingency for wireless project | 5,000,000 | 3,582,913 | 3,582,913 | | |
| Compensated absences | 638,939 | | | | |
| Encumbrances | 1,640,596 | | | | |
| Extraordinary repair and replacement | 4,000,000 | | | | |
| Employee compensation | 4,300,000 | | | | |
| Other assigned fund balance | | 6,218,823 | 6,627,862 | 10,264,492 | 6,017,389 |
| Unassigned | 75,234,542 | 78,152,263 | 79,738,094 | 81,159,486 | 80,050,869 |
| | <u>\$ 96,142,580</u> | <u>\$ 93,573,676</u> | <u>\$ 95,458,599</u> | <u>\$ 97,002,742</u> | <u>\$ 91,733,360</u> |
| % of unassigned fund balance | 30.5% | 31.1% | 29.9% | 29.0% | 27.4% |
| Months of unassigned fund balance | 3.7 | 3.7 | 3.6 | 3.5 | 3.3 |

Tax Rate Adoption Key Dates - Preliminary

- April 28, 2017 – Last day to receive estimated certified value from Dallas County Appraisal District
- June 1, 2017 – Publish notice of hearing to adopt budget and tax rate (no less than 10 and no more than 30 days prior to hearing)
- June 12, 2017 – Conduct public hearing on budget and tax rate, and adopt budget
- July 25, 2017 – Last day to receive certified value from Dallas County Appraisal District
- August 8, 2017 – Publish notice of hearing on tax rate (no less than 10 and no more than 30 days prior to hearing) (Only required if tax rate to be adopted is higher than previously published)
- August 21, 2017 – Adopt tax rate