



WHITE SETTLEMENT INDEPENDENT SCHOOL DISTRICT

BUDGET 2022-2023

401 S. Cherry Lane • White Settlement, TX 76108

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www.wsisd.com

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November 1, 2022

To the Board of Trustees and the Citizens of White Settlement Independent School District:

The 2022-2023 budget provides the foundation for delivery of services to the students of White Settlement ISD. White Settlement ISD prepared this budget using an intensive process involving input from parents, citizens, campus and administrative staff, the Superintendent, and the Board of Trustees. The principal focus of this document is to produce a budget that provides the necessary funds to operate the District in an efficient manner.

Budget planning for the 2022-23 school year was a six-month process, and responsibility for the accuracy and completeness rests with the district. The budget development process consisted of a modified, zero-based process in which detailed information regarding expenditure requests were required of central support services. The process provided a more thorough review of the programmatic requests of the district's support services and paved the way to developing budgets that align with district goals and District Improvement Plan.

White Settlement ISD began the 2021-22 fiscal year with a General Fund balance of \$21 million and ended the year with a projected \$23 million. This healthy fund balance will assist the district in facility needs associated with expected growth or other unknown events.

The 2022-2023 General Fund adopted budget reflects a balanced budget which included an 8% salary increase of all staff. Additionally, 21 positions throughout the district, including teachers, teacher assistants, counselors, diagnosticians, and other support staff.

Property values increased by 9.6% over the 2021-22 year. In November 2021, the District passed a Voter Approved Tax Ratification which added 8 cents to the approved Maintenance and Operations tax rate. The property tax rate in 2021-22 was 1.4603 per \$100 of valuation. The approved tax rate for 2022-23 was 1.4174 per \$100 of valuation. This is a decrease of 3%. The District has projected an enrollment increase of 1.6% for 2022-2023.

The 2022-2023 budget of White Settlement ISD was prepared through the efforts and input of many people, including teachers, principals, and administrative staff. I would like to express special appreciation to the Board of Trustees and the District Instructional/Financial Committees for their input. The goal of the budget preparation is to produce a budget that promotes student achievement while being fiscally responsible.

The budget document and year-end Annual Comprehensive Financial Report (ACFR) are the primary vehicles used to present the financial plan and results of operations of the District.

This budget document is organized into the following major sections:

- **Executive Summary** – The Executive Summary introduces the reader to the document as a whole. This section highlights and summarizes important information contained in the budget. Users rely on this section to get an overview of the information found in the remainder of the document.
- **Organizational Section** – The Organizational Section provides the context and framework within which the budget is developed and managed. This framework includes the District's Strategic Plan, organizational and financial structure, as well as the financial policies and procedures that regulate the development and administration of the budget.
- **Financial Section** – The Financial Section contains the financial schedules that present the adopted budgets for the district and comparisons to the previous year. Also included is an explanation and analysis of significant changes from the prior year and trends that affect the adopted budget.
- **Informational Section** – The Informational Section contains additional financial information related to past and future budgets to help support the current budget.

The information included in the budget document is structured to meet the requirements of the Pathway to the Meritorious Budget Award (MBA) of the Association of School Business Officials International (ASBO). WSISD is submitting the Executive, Financial, and Informational sections for the award. The District received the Pathway to the Meritorious Budget Award for the fiscal year 2021-2022 budget. To receive this award, a school must publish a budget document. We believe the current budget conforms to the requirements of the program. The award is conferred after a comprehensive review by a panel of independent budget professionals.

White Settlement ISD is required to disclose any information that is required for the award but will not be included. Since WSISD does not currently have an active Capital Projects Fund; therefore, this document does not include all the required information that would normally be provided; however, some preliminary budget information about capital project funds is included. In May 2022, the district passed a \$115 million bond package. The planning for the funds will begin during the 2022-23 school year. As of the date of adoption of the budget, the Capital Project Fund Budget for fiscal year 2022-2023 is still under development.

The primary purpose of this document is to provide timely and useful information concerning past, current, and projected financial status of the District in addition to serving as a plan for implementing the strategic goals and objectives of the School District. The goal in presenting the budget in this manner is to provide detailed information to inform parents and taxpayers

about the District's financial plan to meet our educational program needs for the fiscal year 2023.

The preparation of this report on a timely basis could not have been accomplished without the dedicated efforts of the entire staff of the Business Department. Also, thanks need to be extended to the Board of Trustees for their interest and support in the planning and operations of the financial services of the District. Their concern that the business and finances of the District be conducted efficiently and responsibly makes the task rewarding for the staff.

A handwritten signature in cursive script, reading "Frank Molinar". The signature is fluid and elegant, with a large initial "F" and a long, sweeping underline.

Frank Molinar, Superintendent

Executive Summary



EXECUTIVE SUMMARY

We are pleased to present the 2022-2023 budget for White Settlement Independent School District (WSISD). This budget has been prepared in accordance with state regulations and local policies covering a twelve-month period from July 1, 2022, through June 30, 2023. The budget was adopted by the Board of Trustees on June 20, 2022, and the supporting tax rate was adopted on Aug. 15, 2022, after the certified values were released by the Tarrant County Appraisal District. The 2022-23 fiscal year started July 1, 2022 and ends June 30, 2023.

WSISD is grounded in our Core Beliefs, Vision, Mission, and Strategic Goals and is focused on continuous improvement that results in excellence for each child. Each spring, the WSISD School Board and Leadership Team participate in strategic planning to celebrate successes for the year and begin planning for the upcoming school year.

The District philosophy is to foster a culture of excellence in which all students are empowered to be innovators and leaders of tomorrow through engaging, hands-on instruction; the latest technology; and extra-curricular programs that meet the needs and interests of every student. Every White Settlement ISD campus implements innovative and creative learning opportunities for students through technology, project-based learning, classroom transformations and more!

White Settlement Independent School District will always seek ways to continuously to ensure our students and staff have the best learning experience possible.

Purpose of White Settlement ISD

White Settlement Independent School District exists to maximize student achievement through high standards, which incorporates critical thinking, creativity, collaboration, high quality instructional strategies and innovative teaching. The leadership of the District is committed to ongoing professional development of staff based on student needs to ensure the staff has the training and resources to provide the best possible education for every student.

The White Settlement ISD Focus Document and “Profile of an Educator” outline the expectation that all educators should be committed to a Culture of Excellence, delivering Premiere Education, and encouraging Innovation and Developing Leaders of Tomorrow. The White Settlement ISD “Portrait of a Graduate” reflects the vision that each student graduating from WSISD will possess a set of knowledge and skills to be Engaged Citizens, Critical Thinkers, Ethical Leaders, and more.

Determined to be the best we can be in all areas, maintaining a state of continuous improvement, and ensuring that the goals, strategies, and visions of the Leadership Team and Board of Trustees are clearly communicated, White Settlement ISD strives to become the Best District in the Universe!

EMPOWER. INNOVATE. CREATE. ENGAGE. INSPIRE. COLLABORATE



BOARD OF TRUSTEES



President
Ben Davis,
Place 5
2008 - Present



Vice President
John Bradley
Place 7
2011 - Present



Secretary
Melissa Brown
Place 6
2005 - Present



Member
Glen Lowry
Place 2
2015-Present



Member
Jeremy Lelek, Ph.D., LPC
Place 4
2020 - Present



Member
Amanda Sanchez
Place 3
2012 - Present



Member
Raymond Patterson
Place 1
2007 - Present

The Board of Trustees consists of seven elected citizens who are active in a variety of school, business, and community groups. The Board offers stability and leadership to the district and sets the tone for educational improvement. Trustees serve overlapping terms of three years, and candidates run for specific places but do not represent certain geographical areas.

Regularly scheduled board meetings begin at 5:30 p.m. on the third Monday of each month in the WSISD Administration Building Board Room, located at 401 S. Cherry Lane. Citizens are encouraged to attend. After these monthly meetings, the board minutes are posted for interested community members to review.



SUPERINTENDENT'S CABINET



Frank Molinar
Superintendent



David Bitters
Assistant Superintendent
Finance & Operations



Chris Jenkins
Assistant Superintendent
Curriculum & Instruction



Desiree Coyle
Communications Director



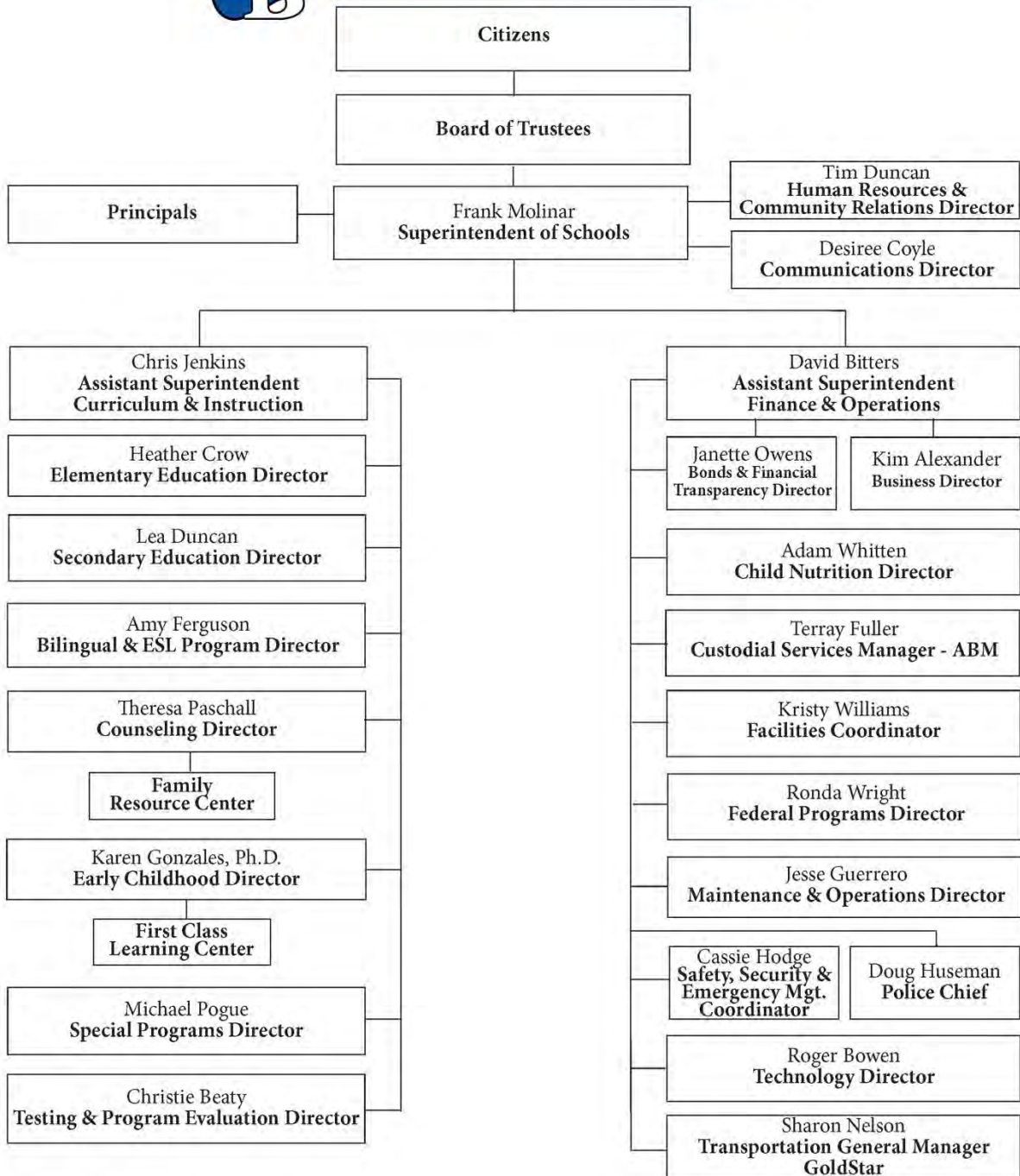
Tim Duncan
Human Resources Director

The Superintendent's Cabinet is comprised of the Superintendent, Assistant Superintendent of Finance and Operations, Assistant Superintendent of Curriculum and Instruction, Human Resources Director, and Communications Director.

ORGANIZATIONAL CHART



WHITE SETTLEMENT INDEPENDENT SCHOOL DISTRICT





This Pathway to the MBA Award is presented to

WHITE SETTLEMENT INDEPENDENT SCHOOL DISTRICT

for excellence in the preparation and issuance of its budget
for the Fiscal Year 2021-2022.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



Motto

THINK BIG... BEARS DO!

Mission

FOSTERING A CULTURE OF EXCELLENCE
AND EMPOWERING BREWER BEARS TO
BE INNOVATORS
AND LEADERS OF TOMORROW BY PRO-
VIDING PREMIER EDUCATION.

Vision

DEVELOPING PASSION TO LEARN ...
DISCOVERING PURPOSE FOR TOMORROW.

Beliefs

-  ALL STUDENTS ARE OUR TOP PRIORITY.
-  EVERY STUDENT HAS VALUE AND PURPOSE.
-  OUR STUDENTS DESERVE A PASSIONATE
TEACHER IN EVERY CLASSROOM EVERY DAY.
-  A SAFE, SECURE AND ENRICHED
ENVIRONMENT ENHANCES LEARNING.
-  LEARNING IS A SHARED RESPONSIBILITY
THAT REQUIRES ACTIVE INVOLVEMENT BY
STUDENTS, STAFF, FAMILIES AND
THE COMMUNITY.
-  CONTINUOUS PROFESSIONAL GROWTH IS
ESSENTIAL FOR STUDENT SUCCESS.

Organization of White Settlement ISD

White Settlement Independent School District was established in 1959. The District is governed by a seven-member Board of Trustees that serve staggered three-year terms with elections held in May. All candidates must be qualified voters and residents of the District. To fulfill its charge to the students, parents, staff, and taxpayers of White Settlement ISD, the Board of Trustees holds monthly meetings. All school board meetings are posted and advertised as required by law. The board has final control over all school matters except as limited by law, the courts, and the will of its citizenry, as expressed in the elections.

The WSISD Board of Trustees governs the direction of District operations, but the day-to-day business is overseen by the Superintendent, who essentially functions as the District's Chief Executive Officer.

Budget Overview and Highlights

The State (Texas Education Code Section 44.002-44.006), the Texas Education Agency) Financial Accountability System Resource Guide), and White Settlement ISD Local Board Policy formulate the legal requirements and policies for the budget. The annual budget serves as the foundation for the District's financial planning and control.

The Board of Trustees adopts budgets for the General Fund, Student Nutrition Fund, and Debt Service Fund. Each budget is presented on a modified accrual basis of accounting, which is consistent with generally accepted accounting principles. The District is not legally required to adopt Special Revenue Fund budgets other than the Student Nutrition Fund or Capital Projects Fund. This budget was prepared and approved at the fund and functional level.

This budget was developed using student enrollment trends and the most recent available property value information. Input from senior administrative staff, principals, department heads, and the Board of Trustees was considered before arriving at the final allocations in the budget.

Significant Events and/or Trends that Effect the Budget

The 2022-23 budget included a pay increase of 8 percent of the midpoint pay scale for all staff. The District added several positions including a Director of Counseling, two counselors, several teachers, and other support staff. The pay increase supports the District Improvement Plan goal # 5 which is to Recruit, Develop and retain qualified, certified, and effective personnel. Hiring the Director of Counseling and additional counselors supports the District Improvement Plan goal # 2, which is to cultivate a safe, nurturing, and collaborative environment that promotes active involvement by parents, students, staff, and community members.

COVID-19

Our county, state, community, and school district faced significant challenges during the 2020-21 and 2021-22 school years due to COVID-19; however, our mission and vision remained the same. Our responsibility to the students to provide them with an education that allows them to graduate exceptionally prepared for college, career and citizenship remains the same. We do not know of

any adjustments to future budgets that will be required at this time. The adopted budget assumes normal operations.

Remote Learning

The district launched a Virtual Academy for the 2021-2022 school year. The current budget continues Virtual Academy as a remote learning option for students. While most WSISD students returned to in-person learning during the 2021-2022 school year, the District opted to continue to provide a remote learning option. Enrollment in the WSISD Virtual Academy is also open to students outside the District. The enrollment for the 2021-2022 school year was approximately 200 students.

Student Enrollment

The projected student enrollment for 2022-2023 is 7,150, an increase of 1.6 percent over 2021-2022 enrollment. Over the next 10 years, WSISD projects an increase of 1,350 students (15 percent). Enrollment growth is projected to continue trending upwards toward a 2 to 3 percent annual growth rate, which will increase district enrollment to almost 8,000 students by the 2027-28 school year and close to 9,000 students by the fall of 2031.

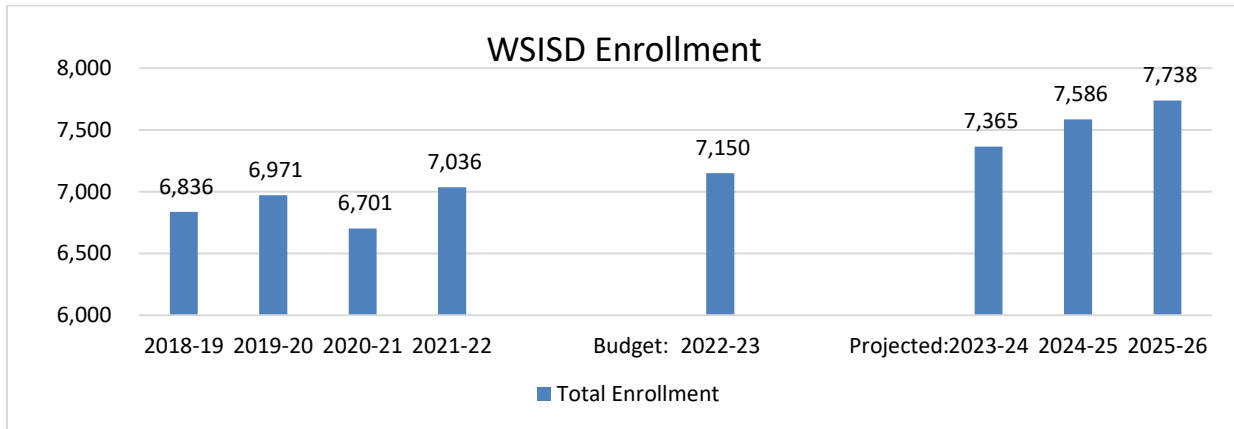
As an additional avenue to generate state funding, WSISD offers open enrollment for students in grades kindergarten through 12 when space is available.

White Settlement Independent School District Student Ethnicity Percentages

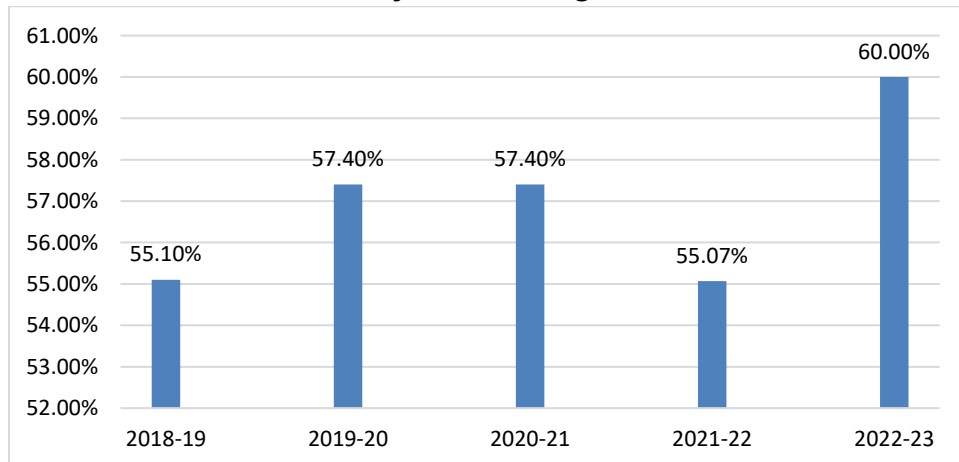
Ethnicity	2018	2019	2020	2021	2022
Native Hawaiian/Pacific Islander	0.10%	0.10%	0.30%	0.20%	0.23%
American Indian/Alaska Native	0.50%	0.40%	0.40%	0.40%	0.47%
Asian	1.40%	1.30%	1.40%	1.40%	1.73%
Two or More	4.70%	4.60%	4.70%	4.90%	5.51%
Hispanic	40.30%	41.50%	41.80%	43.60%	44.10%
African American	8.10%	9.20%	9.50%	9.50%	10.40%
White	44.90%	42.90%	41.90%	40.00%	37.56%

**White Settlement Independent School District
Districtwide Student Enrollment Data**

School Year	Total Enrollment	Free/Reduced Lunch Program %	Elementary	Intermediate	Middle School	High School
Actual:						
2018-19	6,836	55.10%	2,693	1,084	1,099	1,960
2019-20	6,971	57.40%	2,749	1,053	1,141	2,028
2020-21	6,701	57.40%	2,522	951	1,111	2,117
2021-22	7,036	55.07%	2,788	1,014	1,076	2,158
Budget:						
2022-23	7,150	60.00%	2,840	1,030	1,090	2,190
Projected:						
2023-24	7,365	57.00%	2,925	1,061	1,123	2,256
2024-25	7,586	57.00%	3,030	1,093	1,156	2,307
2025-26	7,738	57.00%	3,091	1,115	1,180	2,353



**White Settlement Independent School District
Economically Disadvantaged Students**



Demographics

White Settlement ISD boundaries encompass the City of White Settlement and the western portion of the City of Fort Worth. WSISD consists of 10 schools: four elementary schools, a kindergarten through sixth grade Fine Arts Academy; one intermediate school (grades 5 and 6); one middle school, (grades 7 and 8); one high school (grades 9 through 12); a Virtual Academy (grades kindergarten through 8); and a Disciplinary Alternative Education Placement campus.

The district is a diverse, suburban community with an ethnic diversity throughout the community. Over the last five years the Hispanic and African American percentages have increased slightly each year. WSISD projects the percentages for at-risk and economically disadvantaged students will increase slightly each year for the next several years.

White Settlement ISD recognizes the following demographic data when planning for future expansion:

- Within the district, there were more than 410 new homes started from the third quarter of 2020 compared to the second quarter of 2021.
- Annual closings climbed to a record of 460 units, surpassing the previous high set in 2007.
- Developers delivered 372 new lots in the district from third quarter of 2020 to the second quarter of 2021.
- As of Spring 2022, there are 6,192 total single-family lots in-process and planned in White Settlement ISD.
- WSISD is poised to see about 1,850 new homes built and occupied over the next 5 years, averaging approximately 365 closings per year.
- The number of planned future apartment units in WSISD is 487 units.
- A large industrial site is under development within the District.

WSISD new home price as of March 2022 was a record \$323,750, an increase of 11 percent over the prior year. The greater Fort Worth's median new home price is \$396,149, an increase of 17.9 percent over the prior year.



Student Achievement

Due to the global pandemic caused by COVID-19, the Texas Education Agency (TEA) declared a state of disaster for all campuses and districts. Due to the declared state of disaster, TEA did not provide accountability ratings for two consecutive school years, 2019-20 and 2020-21. During the 2020-21 school year, students in attendance took the State of Texas Assessment of Academic Readiness tests. Compared to the 2018-2019 overall results, raw test data results revealed student academic declines were not as severe as expected after being out of school the majority of the spring semester of 2020. In fact, West Elementary was removed from the ESF Target Campus List, a huge achievement for a school to overcome during a pandemic year. WSISD remains a B District based off the 2021-2022 results.

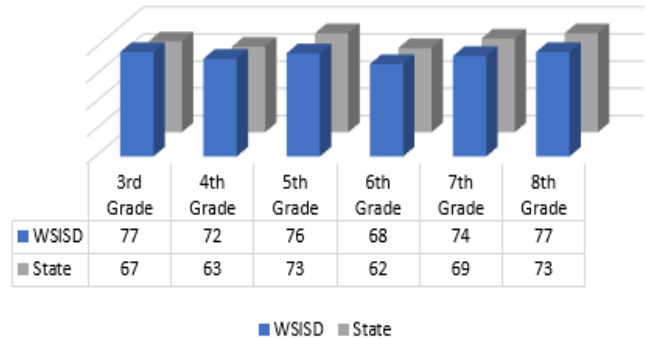
A comparison of the WSISD passing rates, versus the average passing rate for the State of Texas is in the accompanying charts.

WSISD continues to prepare college and career-ready graduates. During the 2021-22 school year, high school juniors and seniors were offered over 15 college credit courses through dual credit partnerships with the Tarrant County College District and the University of Texas at Austin On-Ramps program. A student can graduate high school with college hours needed to earn an associate's degree or a bachelor's degree. This allows the student to receive a bachelor's degree quicker and with less cost to the parent and/or student. WSISD funds half of a student's College Algebra and College Statistics courses and pays for English Composition II.

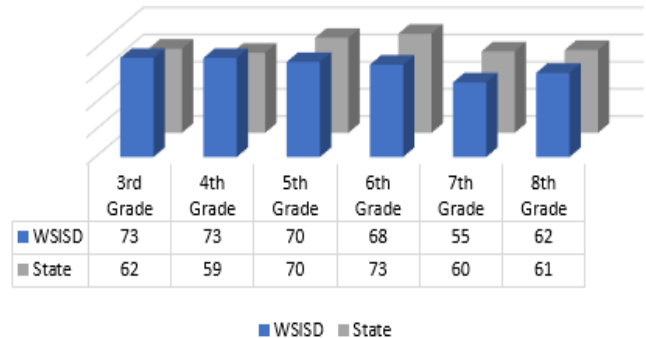
In addition to the opportunity to earn college credit hours, students may also graduate high school with industry-standard certifications through WSISD's Career and Technical Education (CTE) program. Students can earn industry certifications in areas such as animal science, welding, cosmetology, culinary arts, medical assisting, and Adobe and Microsoft Office software.

White Settlement ISD offers college-level Advance Placement (AP) courses for high school students as well as courses for middle school students, giving them a head start in the advanced academic graduation program.

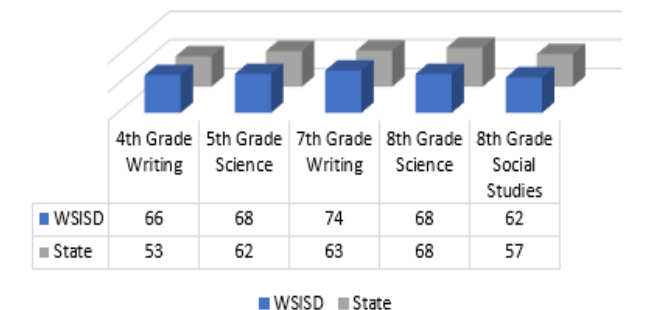
2021 STAAR Reading



2021 STAAR Mathematics

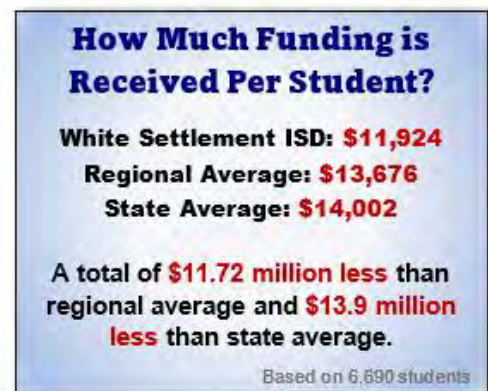
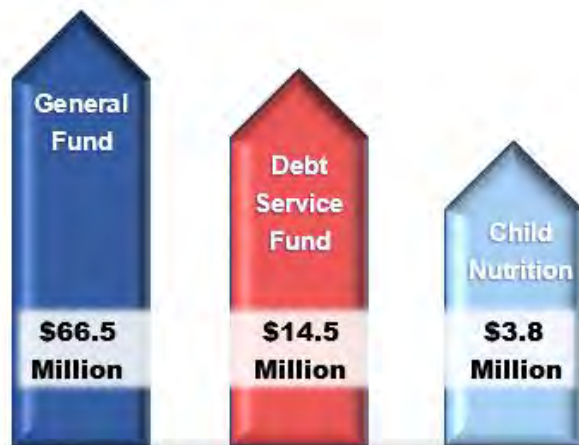


2021 STAAR Writing, Science, & Social Studies

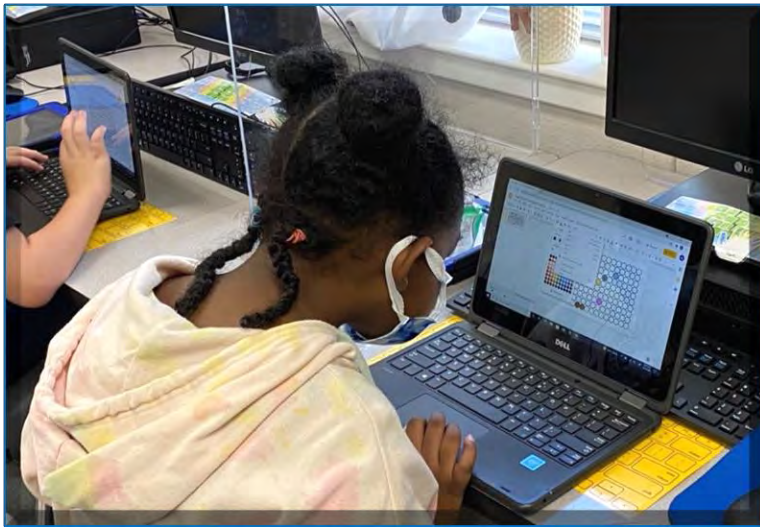


WSISD encourages students to take the SAT and ACT tests by offering every student the opportunity to take the SAT or ACT free of charge. The district budgets the cost of these tests and WSISD is an approved testing site, ensuring that students have access to the tests with no financial burden and need to travel. The SAT and ACT tests provide students with an opportunity to measure their readiness for college. Since beginning this program two years ago, the percentage of students taking these tests has increased.

Career & Technical Education (2019-2020 Annual Graduates)		State = 58.5% WSISD = 82%
Students By Program Career & Technical Education: 58.5% Gifted & Talented Education: 6.8% Special Education: 10.8%		Language & Economics Bilingual/ESL Education: 15.7% Economically Disadvantaged: 60.7% Limited English Proficient (LEP): 13.4%
SAT/ACT Testing (2019-2020 Annual Graduates)		State = 76.7% WSISD = 86.4%



Technology



White Settlement ISD remains committed to providing an innovative and engaging learning environment for all students. Through the WSISD EdTech training courses and the technology available at the campus level, WSISD provides its students with a 21st century learning environment. WSISD provides every student in grades 4 through 12 with a laptop for use at school and home.

Pre-kindergarten through third grade students receive computers for use in the classroom. Every elementary and secondary core classroom is equipped with a smartboard. Instructional Technology Specialists in the Technology Department work with teachers and staff to ensure the successful implementation of technology in the classroom.

WSISD is a Dell EMC Model School District and a Common-Sense Education School District. WSISD recently updated its technology infrastructure to support new and existing technology devices. The district utilizes e-rate funding to update our technology infrastructure, equipment, and servers on a regular schedule.

Police Department

The White Settlement ISD Police Department is fully authorized by the State of Texas as a police agency by the State of Texas, and all WSISD school district police officers are commissioned by the state. School district police officers are authorized to enforce all laws and have full authority to arrest individuals found in violation of those laws. Officers answer calls for service throughout the district and provide other functions as needed. The WSISD Police Department has 5 sworn officers and 3 security guards.

Safety and Security

WSISD continually seeks ways to enhance student safety. The 2022-2023 budget includes the addition of a Safety, Security, and Emergency Management Coordinator to enhance the safety procedures and programs throughout the District.

In 2020, the District implemented the Guardian Program where selected school personnel participate in an extensive training program and are qualified to carry concealed firearms in school facilities. Guardians must adhere to requirements established by the Texas Department of Public Safety and are trained and evaluated monthly alongside local law enforcement. Guardians are trained in tactics to effectively deny an intruder entry into a classroom or school facility.

WSISD also partners with outside agencies to provide comfort dogs in our schools as well as dogs that search for gun powder residue and drugs.

Every WSISD campus and department is equipped with a doorbell intercom system with both audio and visual capability. This ensures that all campuses are fully secured during the school day, while still allowing visitors to WSISD to be greeted promptly and courteously.

Health Services

Every WSISD school is staffed with a full-time registered nurse to provide every student with individualized health care. The health services department has 9 registered nurses and four trainers. Also, health services staff provides regular AED device training and CPR certification classes to employees. The Health Services department performs student health screenings for hearing, vision, spinal state, and other areas.

WSISD is committed to providing a safe and healthy educational experience for all students. We have created and appointed a School Health Advisory Council (SHAC) to provide feedback on programming to make sure that local community values are reflected in the district's safety and health programs.

Capital Project Fund and Bond Update

To prepare for future enrollment growth and to ensure the sustainability and expansion of WSISD facilities and programs, WSISD developed a Long-Range Facilities Planning Committee in the spring of 2021. The Long-Range Facilities Planning Committee was comprised of parents, grandparents, students, current and former educators, local business owners, civic leaders, alumni, and WSISD taxpayers. Over a three-month period, members studied demographic reports, enrollment projections, district finances, tax impact scenarios, and a comprehensive assessment of every campus and facility in WSISD.

On January 24, 2022, the Board of Trustees voted to call a \$115 million Bond Election. On May 7, 2022, voters approved the bond. The bonds were sold on August 18, 2022.

The passing of the bond allows the District to make the necessary updates to its facilities which are needed for student growth in the next five to seven years. The bond package will provide improvements and/or renovations for every WSISD campus.

The District 's preliminary plan is to start with the High School, Middle School, West Elementary, and the acquisition and renovation of a building. The table below lists planned dates on these projects.

Location	Planning Began	Completion
High School	Sep-22	Oct-23
Middle School	Sep-22	Feb-25
West Elementary	Sep-22	Jun-24
Building Acquisition/ Renovation	Aug-22	Jun-23

The following chart is a preliminary Capital Projects budget. Due to the staggering inflation rates the country has experienced over the last year, adjustments to the initial estimated costs are expected.

White Settlement Independent School District Preliminary Capital Project Budget

	2022-23	2023-24	2024-25	2025-26	Total
<u>Projected Revenues</u>					
Bond Proceeds	\$ 115,000,000	\$ -	\$ -	\$ -	\$ 115,000,000
Interest Income	2,916,750	2,732,426	861,026	91,177	\$ 6,601,379
Total Revenues	\$ 117,916,750	\$ 2,732,426	\$ 861,026	\$ 91,177	\$ 121,601,379
<u>Projected Expenditures</u>					
West Elementary	\$ 6,312,500	\$ 13,109,123	\$ -	\$ -	\$ 19,421,623
Liberty Elementary	-	9,813,507.00	1,338,205.00	-	\$ 11,151,712
Bule Haze Elementary	-	1,589,893.00	216,804.00	-	\$ 1,806,697
North Elementary	-	1,462,534.00	199,437.00	-	\$ 1,661,971
Tannahill Intermediate	-	316,262.00	43,127.00	-	\$ 359,389
Brewer Middle School	2,450,000.00	22,280,000.00	30,643,742.00	-	\$ 55,373,742
Brewer High School	5,557,524.00	9,699,907.00	-	-	\$ 15,257,431
Operations and Special Programs	-	-	2,273,782.00	-	\$ 2,273,782
Mechancial Systems Upgrades	-	-	17,250.00	-	\$ 17,250
Building and Land Acquisistion	1,967,564.00	-	-	-	\$ 1,967,564
District-wide Projects	603,892.00	2,000,000.00	2,210,000.00	886,268.00	\$ 5,700,160
Total Expenditures	\$ 16,891,480	\$ 60,271,226	\$ 36,942,347	\$ 886,268	\$ 114,991,321
Net Change in Fund Balance	101,025,270	(57,538,800)	(36,081,321)	(795,091)	6,610,058
Fund Balance - July 1 (Beginning)	-	101,025,270	43,486,470	7,405,149	-
Fund Balance - June 30 (Ending)	\$ 101,025,270	\$ 43,486,470	7,405,149	6,610,058	-

Notes:

- (1) The \$115 of approved bonds will be sold in August 2022.
- (2) The District will use the interest earned on the bond funds to off-set the inflation costs.
- (3) The above schedule is a estimate of the budget time-line.
- (4) The total expenditures equals the original estimated cost of the projects.

Instructional Realignment Plan

As part of the bond, WSISD will also undergo a grade level instructional realignment. The changes will increase the capacity at all elementary schools, strengthen the kindergarten through fifth grade curriculum alignment, and create a stronger foundation for students as they transition to middle school. The realignment will begin in 3 to 5 years and will include the following updates.



Elementary

➤ A focused Pre-Kindergarten and Kindergarten Early Childhood Academy at West Elementary will enhance the early literacy and math skills of our pre-kindergarten and kindergarten students.

➤ Blue Haze, Liberty and North Elementariness will now serve students in grades 1 through 5.

Fine Arts Academy

➤ The Fine Arts Academy will become a 1st through 5th grade campus at the current Tannahill Intermediate site, enabling the school to serve additional students and become a neighborhood school.



Sixth Grade Center

➤ The bond package includes the creation of a 6th Grade Center that will provide more flexibility in scheduling that results in additional support for student growth academically and socially.

➤ The 6th Grade Center will now serve as the bridge from elementary to middle school and better prepare 6th graders for athletics, fine arts, and CTE programs.

- Shared staffing at the middle school level will result in additional Fine Arts, Pre-Athletic, and Career and Technical Education (CTE) opportunities in sixth grade.

- This increased exposure at a younger age will enable sixth graders to explore their interests and learn how to balance the rigor of academics and extracurricular opportunities.

- More targeted instruction in fine arts, athletics, and CTE will better prepare students to compete and excel at the middle school and high school levels.

White Settlement ISD Budget Process

The budgeting process is comprised of five major phases: planning, preparation, adoption, implementation, and evaluation.

The budgetary process begins with sound planning. Planning defines the guiding statements of the school district and develops programs to attain them. Once these programs and plans have been established, budgetary resource allocations are made to support them.

Budgetary resource allocations are the preparation phase of budgeting, which begins in January of each year with the preparation of the budget calendar and enrollment projections. These enrollment forecasts are used extensively during the budget development stage to determine campus allotments and staffing allocations. Each campus receives a basic allotment per student to be used for supplies, materials, equipment, staff development, and other appropriate instructional costs.

Budgets for non-campus units are developed by department heads and reviewed by the Superintendent, Assistant Superintendent of Finance and Operations, and the Director of Business. The departmental budget development process consisted of a modified zero-based process by which more detailed proposals on expenditure request were required of central support services. The process provided a better look into the programmatic requests of the district's support services and is paving the road to building budgets that better align with district and departmental guiding statements and initiatives.

Budgets for Capital Projects are developed after a successful bond election has taken place. WSISD passed a \$115 bond in May 2022. The planning processes for the Capital Project Fund began after fiscal year-end June 30, 2022.

Personnel units are allocated to each campus based on student enrollment following state-mandated ratios as applicable. Non-campus personnel units are evaluated at each departmental budget. Additional personnel units are evaluated each year, and after extensive review and analysis, recommendations are presented to the Superintendent and the Board of Trustees.

The adoption stage of the budget process occurs in June each year, prior to the start of the fiscal year on July 1. The Board of Trustees has the responsibility of adopting the budget and setting the tax rate to support the budget. The Board of Trustees adopts the tax rates in August after the certified values are received from the Tarrant Appraisal District. After adoption, the implementation of the budget is performed by the Business Department, with the cooperation of other District administrators. Implementation also includes establishing controls over the revenues and expenditures, budget amendments, and informational reporting on the budget

Finally, the budget is evaluated for its effectiveness in attaining the districts guiding statements. Evaluation typically involves an examination of how funds were expended, what outcomes resulted from the expenditure of funds, and to what degree these outcomes achieved the objectives stated during the planning phase. This evaluation phase is important in determining the following year's budgetary allocations. The evaluation culminates in the performance of the annual audit performed by an independent external audit firm.

In summary, budget preparation is not a one-time exercise to determine how a school district will allocate funds. Rather, school district budget preparation is part of a continuous cycle of planning and evaluation to achieve district guiding statements.



Budget Process Timeline

Activity	Responsibility	Completion Date
Demographic Report Presented	Demographer	December
Instructional Department meets with Superintendent's Cabinet to finalize major changes to instructional strategies and other major changes for the next school year	Central Office Administration	January
Principals and Human Resources work on projected enrollments and staff needs	Principals/Human Resource Director	January
Projections of student enrollment and tax base are finalized to determine revenue for the General Fund Budget	Central Officer Administration	January
Campus and Department Allocations are calculated based on current year student numbers	Director of Business	January
Requests for additional Staff due to Human Resources	Human Resources	January
Calculate Cost of Employee Raises	Central Officer Administration	February
Budget Meetings held with all campuses and departments – current year budget status is reviewed during the meetings as well as any additional needs for the following year budget	Assistant Superintendent of Finance and Operations, Principals and Directors, and Director of Business	February 15 – March 5
Campus/Department Budgets due to Business Office	Central Office Administration	March 30- April 1
Capital project needs and wants list is developed from budget meetings and changes to District Educational Strategies	Central Office Administration	April

Preliminary taxable values are received from the Tarrant County Appraisal District	Central Office Administration	April
Review General Fund Revenue projections previously developed for General Fund	Central Office Administration	April - May
Prepare first pass of board approved budgets	Director of Business	By May 5th
Work session to review 1 st pass with Superintendent Council	Central Office Administration/School Board	By May 10th
Work session with Board of Trustees	Board of Trustees	May 17th
Publish "Notice of Public Meeting to Discuss Budget and Proposed Tax Rate	Business Director	By June 8th
Hold Public Meeting to Discuss Budget and Proposed Tax Rate, adopt the next year budget, and approve the final amendment to the current year budget	Board of Trustees	June 21st
Receive Certified Values from Tarrant County Appraisal District	Tarrant County Appraisal District/ Tarrant Tax Assessor	July 25
Republish the Notice of Public Meeting to Discuss Budget and Proposed Tax Rate If the calculated tax rate exceeds the notice published in June	Business Director	August
Adopt the tax rate	Board of Trustees	By August 25th

2021 Legislation

House Bill (HB) 1525 was passed by the 87th Texas Legislature in May of 2021.

Highlights of HB 1525 that affect White Settlement ISD:

- Adds the small and mid-sized adjustment to the basic allotment for calculating Career and Technology (CTE) funding.
- Makes changes to the CTE weights: 1:1 for courses not in an approved program of student; 1:28 for courses in an approved program of study determined by Texas Education Agency; and 1:47 for courses in level 3 and 4.
- Re-establishes the Gifted and Talented allotment eliminated by the HB 3 in 2019. Only 5% of a district's students in ADA are eligible for this funding and the weight is set at 0.07.
- Establishes a commission on special education funding that will develop and make recommendations on methods of financing special education in public schools.
- Allows districts to use compensatory education funds for instructional coaches, attendance officers, and other purposes.
- Extends grants to school districts for autism and dyslexia to 2023.
- Adds uncertified teachers to those who can receive the teacher incentive allotment.
- Extends the deadline for completion of the reading academies by one year to 2022-2023.

Significant Changes in Budget Process

There were no significant changes in the budget development process for 2022-23.

Budgetary Controls

In addition to the above, the district maintains budgetary controls throughout all of the financial systems. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated (official) budget adopted by the Board. Activities in the General Fund, National School Lunch and Breakfast Program Fund, and Debt Services fund are included in the official budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the fund-function level, a 20-digit code created by the Texas Education Agency Financial Accountability System Resource Guide. District systems may exercise budgetary control at varying combinations of the account code structure.

The district also utilizes an encumbrance accounting system to maintain budgetary control through a transaction's life cycle. Outstanding encumbrances at the end of a fiscal year lapse at year-end and are treated as expenditures in the subsequent year upon receipt of goods.

State Budget Requirements

The State, TEA, and the district formulate legal requirements for school district budgets, which guides the budget development process. These requirements are stipulated in detail within the subsequent sections of this document. The appropriated budget is prepared by fund, function, major object, and campus/department. The legal level of budgetary control is the function level within a fund. The district makes budgetary revisions throughout the year as necessary, and all annual appropriations lapse at fiscal year-end.

Budgets for the General Fund, the National School Lunch Program (a special revenue fund subsequently referred to as Student Nutrition), and the Debt Service Fund must be included in the official district budget (legal or fiscal year basis). For informational purposes only, budgets for the Federal Program Funds and State and Local Funds are included throughout this presentation to provide a comprehensive overview of district resources. The budgetary process covers the entire financial cycle, starting with establishing priorities and ending with the audited financial statements. It represents a responsive balance between the educational needs of the students and the ability of the community and the State of Texas to provide the necessary financial support to serve them. The administration strives to communicate frequently with state legislators and other stakeholders regarding issues affecting student success such as unfunded mandates and other regulatory and financial concerns.

Relevant Budget and Accounting Information

The district maintains approximately 15 separate funds to account for its operations and special programs. Each fund varies in purpose. All funds, including campus and student activity funds, are accounted for on a district level basis. The Board of Trustees is required to adopt the General Fund, Student Nutrition Fund, and the Debt Service funds at the fund and function level only. The remaining funds are included in the budget document for information purposes only.

The fund accounting system defines each fund by fiscal period and a self-balancing set of accounts including assets, liabilities, fund equity, revenues, and expenditures. There are four major fund groups. The Governmental Funds include the General Fund, Special Revenue Funds, and Debt Services Funds. Other funds maintained by the district are considered trust and agency funds.

Accounting records are maintained in accordance with generally accepted accounting principles (GAAP). Budgetary controls, which employ encumbering purchase orders to reserve commitments to the budget, include periodic amendments to ensure compliance with state law.

Account Code Structure

The budget worksheets throughout this document will be summarized at the fund, function, and major object levels. The actual general ledger is made up of hundreds of detailed line items that are the building blocks of this document. The State of Texas mandates the account code structure used by all public school districts.

The account code defines transaction detail. The account code will tell the reader what was generally purchased, which campus made the purchase, the purpose of the purchase, and the major source of funds used. A detailed review of the account code structure is included in the Organizational Section of this document.

Combined Funds

The combined budget of White Settlement ISD includes – The General Fund, Debt Service Fund, Student Nutrition Fund, Federal Funds, and State and Local Funds.

White Settlement Independent School District Summary of Adopted Budgets All Funds For Year Ending June 30, 2023

	General Fund	Debt Service Fund	Student Nutrition Fund	Federal Funds Non-Major	Other State & Local Funds	Total
Total Revenues and Other Sources	\$ 66,629,006	\$ 14,455,688	\$ 3,755,920	\$ 7,096,968	\$ 1,248,381	\$ 93,185,963
Total Expenditures	\$ 66,629,006	\$ 14,455,688	\$ 3,860,483	\$ 7,096,968	\$ 1,248,381	\$ 93,290,526
Net change in fund balances			(104,563)			\$ (104,563)
Beginning Fund Balance	\$ 22,791,650	\$ 16,912,344	\$ 985,269	\$ -	\$ 756,600	\$ 41,445,863
Ending Fund Balance	\$ 22,791,650	\$ 16,912,344	\$ 880,706	\$ -	\$ 756,600	\$ 41,341,300

White Settlement Independent School District
Statement of Revenue, Expenditures & Changes in Fund Balance
Adopted Budgets All Funds by Object
For Year Ending June 30, 2023

	General Fund	Debt Service Fund	Student Nutrition Fund	Federal Funds Non-Major	Other State & Local Funds	Total
Revenues						
Local and intermediate sources	\$ 27,889,943	\$ 14,455,688	\$ 1,271,500	\$ -	\$ 865,000	\$ 44,482,131
State program revenues	38,231,563	-	45,000	-	383,381	38,659,944
Federal program revenues	507,500	-	2,439,420	7,096,968	-	10,043,888
Total Revenues	\$ 66,629,006	\$ 14,455,688	\$ 3,755,920	\$ 7,096,968	\$ 1,248,381	\$ 93,185,963
Expenditures						
Payroll Costs	\$ 54,492,375	\$ -	\$ 1,711,208	\$ 6,033,797	\$ -	\$ 62,237,380
Contracted Services	7,331,978	-	244,325	511,605	150,000	8,237,908
Supplies and Materials	2,622,336	-	1,863,150	137,693	898,381	5,521,560
Miscellaneous	1,373,317	-	16,800	78,748	200,000	1,668,865
Debt Service	740,000	14,455,688	-	-	-	15,195,688
Capital Outlay	69,000	-	25,000	335,125	-	429,125
Total Expenditures	\$ 66,629,006	\$ 14,455,688	\$ 3,860,483	\$ 7,096,968	\$ 1,248,381	\$ 93,290,526
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ (104,563)	\$ -	\$ -	\$ (104,563)
Fund Balance - Beginning	\$ 22,791,650	\$ 16,912,344	\$ 985,269	\$ -	\$ 756,600	\$ 41,445,863
Fund Balance - Ending	\$ 22,791,650	\$ 16,912,344	\$ 880,706	\$ -	\$ 756,600	\$ 41,341,300



White Settlement Independent School District
Statement of Revenue, Expenditures & Changes in Fund Balance
Adopted Budgets All Funds by Function
For Year Ending June 30, 2023

	General Fund	Debt Service Fund	Student Nutrition Fund	Federal Funds	State & Local Funds	Total
Revenues						
Local and intermediate sources	\$ 27,889,943	\$ 14,063,171	\$ 1,271,500	\$ -	\$ 865,000	\$ 44,089,614
State program revenues	38,231,563	392,517	45,000	-	383,381	\$ 39,052,461
Federal program revenues	507,500	-	2,439,420	7,096,968	-	\$ 10,043,888
Total Revenues	\$ 66,629,006	\$ 14,455,688	\$ 3,755,920	\$ 7,096,968	\$ 1,248,381	\$ 93,185,963
Expenditures						
Instruction	\$ 38,853,997	\$ -	\$ -	\$ 3,918,816	\$ 498,381	\$ 43,271,194
Instruction resources and media services	305,961	-	-	-	-	\$ 305,961
Curriculum and staff development	650,497	-	-	917,990	-	\$ 1,568,487
Instructional leadership	1,688,057	-	-	102,420	-	\$ 1,790,477
School leadership	4,742,006	-	-	299,912	-	\$ 5,041,918
Guidance, counseling and evaluation services	1,702,970	-	-	1,210,557	-	\$ 2,913,527
Social work services	91,254	-	-	-	-	\$ 91,254
Health services	732,420	-	-	31,268	-	\$ 763,688
Student transportation	2,152,761	-	-	485,125	-	\$ 2,637,886
Food services	-	-	3,860,483	-	-	\$ 3,860,483
Extracurricular activities	2,411,846	-	-	-	700,000	\$ 3,111,846
General administration	2,310,035	-	-	77,380	-	\$ 2,387,415
Facilities maintenance and operations	6,765,590	-	-	-	-	\$ 6,765,590
Security and monitoring services	455,753	-	-	-	-	\$ 455,753
Data processing services	2,235,723	-	-	-	-	\$ 2,235,723
Community services	570,136	-	-	-	50,000	\$ 620,136
Debt service:	-	-	-	-	-	\$ -
Principal on long-term debt	643,151	3,229,398	-	-	-	\$ 3,872,549
Interest on long-term debt	96,849	11,216,290	-	-	-	\$ 11,313,139
Bond issuance costs and fees	-	10,000	-	-	-	\$ 10,000
Intergovernmental:	-	-	-	-	-	\$ -
Payments to Juvenile Justice Alt. Ed. Prgm.	25,000	-	-	-	-	\$ 25,000
Payments to Shared Service Arrangements	-	-	-	-	-	\$ -
Other intergovernmental charges	195,000	-	-	53,500	-	\$ 248,500
Total Expenditures	\$ 66,629,006	\$ 14,455,688	\$ 3,860,483	\$ 7,096,968	\$ 1,248,381	\$ 93,290,526
Excess (deficiency) of revenues over expenditures			(104,563)			(104,563)
Fund Balance - Beginning	\$ 22,791,650	\$ 16,912,344	\$ 985,269	\$ -	\$ 756,600	\$ 41,445,863
Fund Balance -Ending	\$ 22,791,650	\$ 16,912,344	\$ 880,706	\$ -	\$ 756,600	\$ 41,341,300

White Settlement Independent School District
Comparative Summary of Revenues, Expenditures & Changes in Fund Balance
All Funds by Object

	2018-2019 Audited Actual	2019-20 Audited Actual (10 months)	2020-21 Audited Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Local and Intermediate Sources	\$ 34,681,145	\$ 36,512,489	\$ 37,174,305	\$ 42,915,318	\$ 44,089,614	\$ 1,174,296
State Program Revenues	37,042,105	34,744,795	34,754,184	35,851,297	39,052,461	3,201,164
Federal Program Revenues	6,689,241	5,937,968	10,940,953	15,247,169	10,043,888	(5,203,281)
Total Revenues	\$ 78,412,491	\$ 77,195,252	\$ 82,869,442	\$ 94,013,784	\$ 93,185,963	\$ (827,821)
Expenditures						
Payroll Costs	\$ 46,880,510	\$ 47,067,753	\$ 52,817,397	\$ 59,311,214	\$ 62,237,380	\$ 2,926,166
Contracted Services	7,551,242	6,343,744	7,213,659	7,856,654	8,237,908	381,254
Supplies and Materials	5,761,475	6,770,775	5,752,457	8,128,742	5,521,560	(2,607,182)
Miscellaneous	1,501,546	1,201,938	1,134,450	1,698,562	1,668,865	(29,697)
Debt Service	11,172,734	3,440,497	10,429,824	15,068,028	15,195,688	127,660
Capital outlay	2,509,834	2,172,718	1,905,195	2,106,449	429,125	(1,677,324)
Total Expenditures	\$ 75,377,341	\$ 66,997,425	\$ 79,252,982	\$ 94,169,649	\$ 93,290,526	(879,123)
Net Income (Loss)	\$ 3,035,150	\$ 10,197,827	\$ 3,616,460	\$ (155,865)	\$ (104,563)	51,302
Other Sources (Uses)						
Other Sources	\$ 758,034	\$ -	\$ 169,815,007	\$ 5,488,854	\$ -	\$ (5,488,854)
Other Uses	-	-	(168,434,011)	(5,358,284)	-	5,358,284
Net Sources (Uses)	\$ 758,034	\$ -	\$ 1,380,996	\$ 130,570	\$ -	\$ (130,570)
Net change in fund balances	3,793,184	10,197,827	4,997,456	(25,295)	(104,563)	(79,268)
Fund Balance - (Beginning)	\$ 22,482,691	\$ 26,275,875	\$ 36,473,702	\$ 41,471,158	\$ 41,445,863	
Fund Balance - June 30 (Ending)	\$ 26,275,875	\$ 36,473,702	\$ 41,471,158	\$ 41,445,863	\$ 41,341,300	

White Settlement Independent School District
Comparative Summary of Revenues, Expenditures & Changes in Fund Balance
All Funds by Function

	2018-19 Audited Actual	2019-20 Audited Actual (10 months)	2020-21 Audited Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Local and intermediate sources	\$ 34,681,145	\$ 36,512,489	\$ 37,174,303	\$ 40,201,711	\$ 44,089,614	\$ 3,887,903
State program revenues	37,042,105	34,744,795	34,754,183	38,564,904	39,052,461	\$ 487,557
Federal program revenues	6,689,241	5,937,968	10,940,956	15,247,169	10,043,888	\$ (5,203,281)
Total revenues	\$ 78,412,491	\$ 77,195,252	\$ 82,869,442	\$ 94,013,784	\$ 93,185,963	\$ (827,821)
Expenditures						
Instruction	\$ 34,343,672	\$ 35,288,286	\$ 38,143,261	\$ 41,921,496	\$ 43,271,194	\$ 1,349,698
Instruction resources and media services	239,274	242,028	267,414	311,284	305,961	(5,323)
Curriculum and staff development	1,100,374	955,765	1,048,370	1,420,843	1,568,487	147,644
Instructional leadership	1,115,657	1,194,789	1,413,113	1,745,266	1,790,477	45,211
School leadership	3,968,888	3,763,256	4,183,587	4,584,510	5,041,918	457,408
Guidance, counseling and evaluation services	1,882,721	2,037,814	2,371,846	2,672,630	2,913,527	240,897
Social work services	143,628	69,901	81,361	88,998	91,254	2,256
Health services	580,967	591,038	664,657	781,450	763,688	(17,762)
Student transportation	1,548,036	1,494,930	1,849,460	2,260,706	2,637,886	377,180
Food services	3,832,517	3,571,799	3,177,582	4,765,072	3,860,483	(904,589)
Extracurricular activities	3,124,088	2,853,106	2,878,359	3,086,741	3,111,846	25,105
General administration	2,070,101	1,688,266	2,100,542	2,486,315	2,387,415	(98,900)
Facilities maintenance and operations	7,220,290	6,855,346	6,693,239	8,081,813	6,765,590	(1,316,223)
Security and monitoring services	365,658	416,891	568,625	428,177	455,753	27,576
Data processing services	1,818,254	1,819,809	2,460,667	3,571,378	2,235,723	(1,335,655)
Community services	498,553	525,736	553,041	614,742	620,136	5,394
Debt service:						
Principal on long-term debt	2,555,697	305,000	5,265,783	7,302,301	3,872,549	(3,429,752)
Interest on long-term debt	8,610,230	3,130,380	3,779,740	7,625,157	11,313,139	3,687,982
Bond issuance costs and fees	6,807	5,117	1,384,301	140,570	10,000	(130,570)
Capital outlay:		-				
Facilities acquisition and construction	65,908	-	151,000	-	-	-
Intergovernmental:						
Payments to shared services arrangements	122,977	22,620	58,500	80,000	53,500	(26,500)
Payments to Juvenile Justice Alt. Ed. Prgm.	7,095	-	-	25,000	25,000	
Other intergovernmental charges	155,949	165,548	158,534	175,200	195,000	19,800
Total Expenditures	\$ 75,377,341	\$ 66,997,425	\$ 79,252,982	\$ 94,169,649	\$ 93,290,526	\$ (879,123)
Other Financing Sources (Uses)						
Sale of real or personal property	\$ -	\$ -	\$ -	\$ -	\$ -	-
Loan Proceeds	758,034	-	-	-	-	-
Proceeds from issuance of bonds		-	120,310,931	4,596,880	-	(4,596,880)
Premium on issuance of bonds			49,504,076	891,974	-	(891,974)
Payment to Bond Refunding Escrow Agent			(168,434,011)	(5,358,284)	-	5,358,284
Total other financing sources and uses	\$ 758,034	\$ -	\$ 1,380,996	\$ 130,570	\$ -	\$ (130,570)
Net change in fund balances	3,793,184	10,197,827	4,997,456	(25,295)	(104,563)	(79,268)
Fund Balance - Beginning	\$ 22,482,691	\$ 26,275,875	\$ 36,473,702	\$ 41,471,158	\$ 41,445,863	(25,295)
Fund Balance - Ending	\$ 26,275,875	\$ 36,473,702	\$ 41,471,158	\$ 41,445,863	\$ 41,341,300	\$ (104,563)

General Fund

The General Fund is commonly referred to as the “Operating Fund” or “Local Maintenance Fund.” State aid and local tax revenue make up the bulk of revenues received by this fund. This fund is used to pay general operating expenses throughout the district. The following schedule shows a comparative summary of the General Fund budget for the past 5 years. Changes in each year are typically a result of student growth and pay increases.

The General Fund revenue is projected to increase approximately \$1.5 million over what was budgeted in fiscal year 2021-22. The expected increase is the result of the increase in student enrollment projected and additional state revenue related to increases in property tax values.

General Fund expenditures were increased by \$3 million from the 2021-22 amended budget. The increase is mostly the result of the compensation increases and priorities of the District’s strategic plan. Because White Settlement ISD is committed to its goal of recruiting and retaining the best possible employees, a competitive compensation package for all employees is considered very important. In 2022-23, the Board approved an 8 percent increase for all employees. The increase was based on the midpoint of the pay grade. Additionally, the Board approved targeted adjustments where appropriate to move employees closer to market.

The District changed the coding for software renewal programs from capital outlay to supplies in 2022-23. This accounts for about \$700,000 of the reduction in capital outlay and the increase in supplies. The District purchase around \$800,000 of capital items in 2021-22 that we one-time purchases.

The projected fund balance at the end of fiscal year 2022-23 is approximately \$22.7 million, or the equivalent of 4.5 months of operating expenditures. The District’s stated goal is to maintain a minimum of 2 months of annual operating expenditures in fund balance. The Board of Trustees reserved 5.6 million of fund balance for future capital project needs.

Critical data elements necessary to develop the General Fund revenue budgets are student enrollment, special program participation and property values. Student enrollment projections and special program participation influence state revenue estimates, staffing decisions, per-pupil allocations, facility needs, and many other budgetary decisions.



White Settlement Independent School District
Comparative Summary of Revenue, Expenditures and Changes in Fund Balance
General Fund by Object

	2018-2019 Audited Actual	2019-20 Audited Actual (10 months)	2020-21 Audited Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Sources	\$ 22,450,826	\$ 23,744,851	\$ 24,651,742	\$ 29,106,679	\$ 27,889,943	\$ (1,216,736)
State Program Revenues	33,724,584	33,419,867	34,059,309	35,252,740	38,231,563	2,978,823
Federal Program Revenues	1,083,916	583,274	787,002	791,775	507,500	(284,275)
Total Revenues	\$ 57,259,326	\$ 57,747,992	\$ 59,498,053	\$ 65,151,194	\$ 66,629,006	\$ 1,477,812
Expenditures						
Payroll Costs	\$ 42,550,169	\$ 43,129,356	\$ 47,481,811	\$ 50,814,839	\$ 54,492,375	\$ 3,677,536
Contracted Services	6,240,372	5,661,318	4,933,398	6,988,273	7,331,978	343,705
Supplies and Materials	3,112,267	3,463,225	2,218,962	1,853,667	2,622,336	768,669
Miscellaneous	1,159,678	983,937	874,494	1,441,284	1,373,317	(67,967)
Debt Service	626,763	367,697	739,917	745,000	740,000	(5,000)
Capital outlay	2,244,321	1,971,381	1,760,669	1,880,689	69,000	(1,811,689)
Total Expenditures	\$ 55,933,570	\$ 55,576,914	\$ 58,009,251	\$ 63,723,752	\$ 66,629,006	2,905,254
Other Sources (Uses)						
Other Sources	\$ 758,034	\$ -	\$ -	\$ -	\$ -	\$ -
Other Uses	-	-	-	-	-	-
Net Sources (Uses)	\$ 758,034	\$ -	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	2,083,790	2,171,078	1,488,802	1,427,442		
Fund Balance - (Beginning)	\$ 15,620,538	\$ 17,704,328	\$ 19,875,406	\$ 21,364,208	\$ 22,791,650	
Fund Balance - June 30 (Ending)	\$ 17,704,328	\$ 19,875,406	\$ 21,364,208	\$ 22,791,650	\$ 22,791,650	



Debt Services Fund

The Debt Service fund is used to account for principal and interest payments for funds borrowed to support voter approved authorized capital improvements. As of the fiscal year-end, the District was making bond payments on nine series of bonds.

The Debt Service year-end surplus should at least be equal to the August debt service payment due a little over a month after each fiscal year ends. The bond payment due in August 2022 is \$7,801,364. Interest rates on the bonds range from 0.30 to 6.9 percent. On June 30, 2022, \$16,912,344 was available in the Debt Service Fund to service these bonds. The deficit in the amended budget for 2021-22 occurred because the District paid over \$2 million in bonds off early, in February 2022. This early payoff saved the taxpayers over \$1.5 million.

In May 2022, the District passed a \$115 million bond for capital improvements; however, the bonds were not sold in August 2022. These bonds are not included in the outstanding bonds as of June 30, 2022. The principal and interest payment on the new bonds was included in the 2022-23 Original Approved Debt Service budget.

White Settlement Independent School District Comparative Summary of Revenues, Expenditures and Changes in Fund Balance Debt Service Fund by Object

	2018-19 Actual	Audited Actual (10 months)	2020-2021 Audited	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Local and intermediate sources	\$ 9,834,406	\$ 10,951,168	\$ 11,480,518	\$ 12,603,000	\$ 14,063,171	\$ 1,460,171
State program revenues	2,354,681	299,460	346,700	136,519	392,517	255,998
Total revenues	\$ 12,189,087	\$ 11,250,628	\$ 11,827,218	\$ 12,739,519	\$ 14,455,688	\$ 1,716,169
Expenditures						
Principal on long-term debt	2,044,697	-	4,640,000	6,659,150	3,229,398	(3,429,752)
Interest on long-term debt	8,494,467	3,067,683	3,665,606	7,523,308	11,216,290	3,692,982
Bond issuance costs and fees	6,807	5,117	1,384,301	140,570	10,000	(130,570)
Total Expenditures	\$ 10,545,971	\$ 3,072,800	\$ 9,689,907	\$ 14,323,028	\$ 14,455,688	\$ 132,660
Net change in fund balances	1,643,116	8,177,828	2,137,311	\$ (1,583,509)	\$ -	
Other Financing Sources (Uses)						
Proceeds from issuance of bonds	-	-	120,310,931	4,596,880	-	(4,596,880)
Premium on issuance of bonds	-	-	49,504,076	891,974	-	(891,974)
Payment to bond escrow agent	-	-	(168,434,011)	(5,358,284)	-	5,358,284
Total Financing Sources (Uses)	\$ -	\$ -	\$ 1,380,996	\$ 130,570	\$ -	\$ (130,570)
Net Change in Fund Balance	\$ 1,643,116	\$ 8,177,828	\$ 3,518,307	\$ (1,452,939)	\$ -	
Fund Balance - (Beginning)	\$ 5,026,032	\$ 6,669,148	\$ 14,846,976	\$ 18,365,283	\$ 16,912,344	
Fund Balance - June 30 (Ending)	\$ 6,669,148	\$ 14,846,976	\$ 18,365,283	\$ 16,912,344	\$ 16,912,344	

The District has refunded and refinanced bonds nine times over the last 10 years, saving the taxpayers over \$39 million.

White Settlement Independent School District General Obligation Bonds Interest Rates and Maturity Schedule

Description - Authorization (Dated)	Interest Rate	Amount Original Issue	Maturity Date	Principal Balance as of 6-30-2022
Unlimited Tax School Building & Refunding Bonds 2003	3.125% - 5.90%	\$ 20,883,645	2027	\$ 2,669,134
Unlimited Tax School Building & Refunding Bonds 2012	0.3% - 3.61%	\$ 30,574,884	2022	\$ 503,449
Unlimited Tax School Building & Refunding Bonds 2013	2.0% - 5.00%	\$ 40,160,042	2023	\$ 1,165,000
Unlimited Tax School Building & Refunding Bonds 2014	0.6% - 5.00%	\$ 49,374,874	2022	\$ 65,948
Unlimited Tax School Building & Refunding Bonds 2015A	2.0% - 5.00%	\$ 16,155,000	2037	\$ 11,940,000
Unlimited Tax School Building & Refunding Bonds 2015B	2.0% - 4.59%	\$ 7,268,826	2041	\$ 1,763,826
Unlimited Tax School Building & Refunding Bonds 2016	2.0% - 3.00%	\$ 2,115,000	2032	\$ 915,000
Unlimited Tax School Building & Refunding Bonds 2020	1.80% - 4.00%	\$ 7,661,645	2034	\$ 7,661,645
Unlimited Tax School Building & Refunding Bonds 2020A	2.25% - 2.843%	\$ 112,649,526	2045	\$ 109,849,286
Unlimited Tax School Building & Refunding Bonds 2022	3.14%	\$ 4,596,880	2045	\$ 4,596,880
Total		\$ 286,843,442		\$ 141,130,168

Tax Rate

The total tax rate for fiscal year 2022-23 is total district tax rate per \$100 of property value is \$1.4174, which is a reduction of 4.29 cents from the prior year. This rate is comprised of the Maintenance and Operations (M&O) rate which is used to support the operations of the district, and the Interest and Sinking (I&S) rate, which is dedicated to the payment of principal and interest on bonded debt. The M&O rate is .9374 cents per \$100 valuation. The I&S rate is .48 cents per \$100 valuation. The district budgets a 99 percent tax collection rate.



Property taxes are levied by Oct. 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before Feb. 1 of the following year in which imposed. On Jan. 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. The tax base amount changes throughout the year as property value appeals and lawsuits are settled.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Services Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the district is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

The maximum Maintenance & Operations (M&O) tax rate is legislatively set each fiscal year based on the certified values the District receives from the Tarrant County Appraisal District on July 25 each year. The Texas Education Agency (TEA) has provided a template for districts to use to calculate their maximum tax rate allowed. Any increase above this maximum threshold requires voter approval through a Voter Approved Tax Ratification Election (VATRE). The District passed a VATRE in November 2021 for an additional 8 cents.

White Settlement ISD Tax Rates for 10 Years

Year	Maintenance & Operation	Debt Service	Total
2014	1.0400	0.5000	1.5400
2015	1.0400	0.5000	1.5400
2016	1.0400	0.5000	1.5400
2017	1.0400	0.5000	1.5400
2018	1.0400	0.5000	1.5400
2019	1.0400	0.5000	1.5400
2020	0.9700	0.4800	1.4500
2021	0.9616	0.4543	1.4159
2022	0.9803	0.4800	1.4603
2023	0.9374	0.4800	1.4174

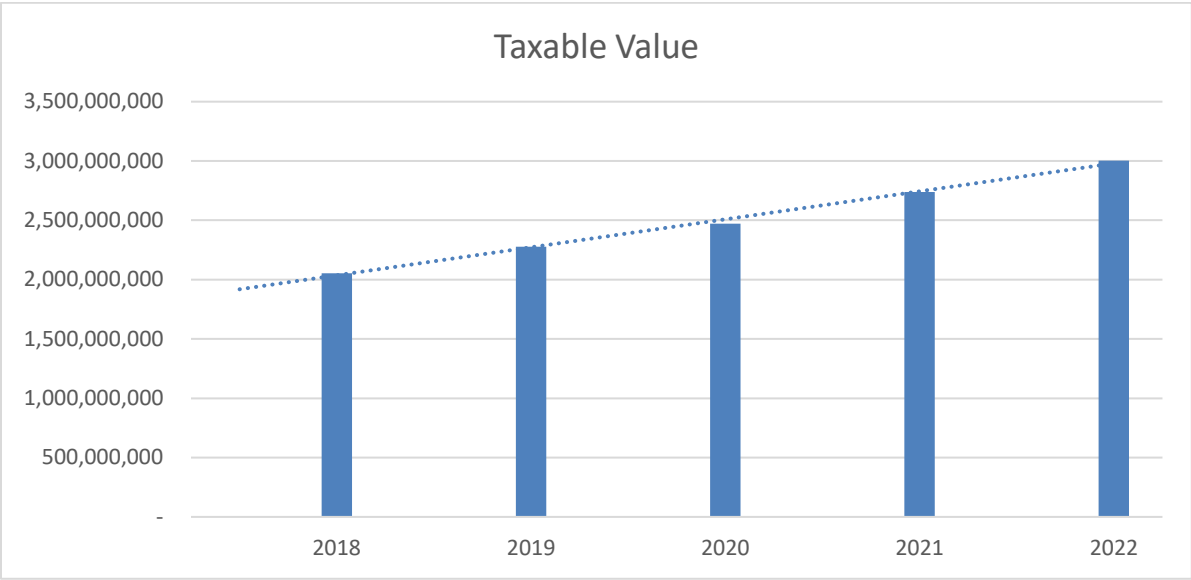
Property Value

Property Value is a key component in developing revenue forecasts for both the state and local components of revenue. Certified property values for 2022 were certified by the Tarrant Appraisal District (TAD) by July 25, 2022. On April 30 and May 15, 2022, TAD released estimates of 2022 property values. Those estimates along with historical trends, provided the basis for the proposed certified which are used to estimate revenue.

Property values have risen steadily since before 2018. The budget for current year taxes is \$3 million more than last year's budget. This increase is due to the property values and the additional residential residences and businesses within the District. This value was adjusted to account for value loss to freezes in property value for disabled taxpayers and those taxpayers over 65 years of age. It was also adjusted to account for an increase in the homestead exemption approved by the votes in May 2022.

Property value growth has been strong over the last five years, averaging 10 percent. Values are expected to continue to increase at 10 percent per year for the next several years. The chart below illustrates the property value growth over the last 5 years.

**White Settlement Independent School District
Five Year Trend for Taxable Values**



Assessed Value and Actual Value of Taxable Property

Fiscal Year Ending 6/30:	Real Property Value (1)	Personal Value (1)	Less: Exemptions	Total Assessed and Actual Value	Total Direct Rate (2)
2013-14	1,462,213,134	370,706,884	(329,083,722)	1,503,836,296	1.5400
2014-15	1,563,536,036	311,257,948	(324,766,103)	1,550,027,881	1.5400
2015-16	1,638,152,609	328,146,691	(384,911,053)	1,581,388,247	1.5400
2016-17	1,947,420,821	236,123,756	(717,597,824)	1,465,946,753	1.5400
2016-17	1,947,420,821	236,123,756	(717,597,824)	1,465,946,753	1.5400
2017-18	2,181,061,763	229,115,281	(811,265,940)	1,598,911,104	1.5400
2018-19	2,397,426,050	258,078,667	(709,351,756)	1,946,152,961	1.5400
2019-20	2,636,232,957	303,706,035	(661,676,854)	2,278,262,138	1.4500
2020-21	2,844,609,318	299,654,780	(673,051,865)	2,471,212,233	1.4159
2021-22	3,203,027,988	331,562,277	(795,519,176)	2,739,071,089	1.4603
2022-23	3,773,946,751	363,987,861	(1,136,183,388)	3,001,751,224	1.4174
2023-24	3,962,644,089	382,187,254	(1,192,992,557)	3,151,838,785	1.4174
2024-25	4,121,149,852	397,474,744	(652,082,172)	3,866,542,425	1.4174
2024-25	4,244,784,348	409,398,987	(645,812,151)	4,008,371,184	1.4174

(1) The value is the appraised value at original certification and fluctuates due to property owner protests and preliminary appraisal values at the time of certification.

(2) Tax Rates are per \$100 of assessed value.

(3) 3 years of forecasted values include a 5%, 4% and 3% growth rate respectively.

(4) The homestead exemption increased by \$15,000 in 2022-23.

(5) The voters of the district approved a 8 cent Voter Approved Taxpayer Ratificaion Election (VATRE) in November 2021; however, due to the tax rate compression the total rate for 2022-2023 did not increase.

Source: Tarrant County (Texas) Appraisal District annually provides the District's tax office with appraised values for properties within the District's taxing authority. Appraised value equals actual value. Actual value less exemptions equals taxable value. Taxable value times the tax rate set by the District's Board of Trustees each fall equal the tax levy. The term "assessed value" means taxable value.

Student Nutrition Fund

The Student Nutrition Fund accounts for the operation of the district's student nutrition program. The 2022-23 Expenditure Budget totals \$3,860,483, which represents a 18 percent decrease from the amended budget totals for 2021-22. During the prior year, supplies lack of supply chains caused the increase in prices. Additionally, it has been difficult to hire and retain staff over the last couple of years. The District has increased the hourly rate of pay to attract additional staff.

During 2021-22 the District received special federal program revenue related to COVID. Additionally, all students were allowed to eat free without having to qualify for free or reduced meals and the per meal reimbursement amount increased by 40 cents per meal. This program was not continued into the 2022-2023 school year.

The emphasis of the Student Nutrition program is to provide a nutritional meal program that meets or exceeds the mandated nutrition requirements set by national and state agencies without the financial support from the General Fund.

White Settlement Independent School District Comparative Summary of Revenues, Expenditures & Changes in Fund Balance Student Nutrition Fund by Object

	2018-19 Audited Actual	2019-20 Audited Actual (10 months)	2020-21 Audited Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Local and intermediate sources	\$ 1,175,061	\$ 852,213	\$ 282,339	\$ 347,400	\$ 1,271,500	\$ 924,100
State program revenues	52,326	67,040	66,783	67,000	45,000	(22,000)
Federal Revenues	2,636,921	2,335,787	2,832,616	4,280,797	2,439,420	(1,841,377)
Total Revenues	\$ 3,864,308	\$ 3,255,040	\$ 3,181,738	\$ 4,695,197	\$ 3,755,920	(939,277)
Expenditures						
Payroll Costs	1,483,655	1,459,552	1,531,620	1,749,067	1,711,208	(37,859)
Contracted Services	215,991	194,995	137,807	311,950	244,325	(67,625)
Supplies and Materials	1,858,467	1,740,302	1,483,287	2,408,478	1,863,150	(545,328)
Other Costs	8,891	5,113	3,224	14,000	16,800	2,800
Capital outlay	265,513	171,837	21,644	211,500	25,000	(186,500)
Total Expenditures	\$ 3,832,517	\$ 3,571,799	\$ 3,177,582	\$ 4,694,995	\$ 3,860,483	\$ (834,512)
Net change in fund balances	31,791	(316,759)	4,156	202	(104,563)	
Fund Balance - (Beginning)	\$ 1,265,879	\$ 1,297,670	\$ 980,911	\$ 985,067	\$ 985,269	
Fund Balance - June 30 (Ending)	\$ 1,297,670	\$ 980,911	\$ 985,067	\$ 985,269	\$ 880,706	

Notes:

- (1) For Local Revenue - during 2020-22 and 2021-22 all student meals were free. This is reflected in the reduced local revenue and increased federal revenue.
- (2) During 2021-22 the district received special one-time federal revenue related to COVID-19 pandemic.

Federal Funds

The Federal Funds are used to account for federal grants awarded to the district with the purpose of accomplishing specific educational goals. These purposes must supplement basic education services delivered by local and state revenues in the General Fund. They are not intended to replace the original funding of these basic education services. These funds utilize the modified accrual basis of accounting.

Federal Funds do not require annual school board adoption but are included in this document for information purposes. The 2021-22 budget includes \$3 million of one-time Federal Funding related to the COVID-19 pandemic. The Federal Fund numbers range from fund codes 211 through 289 (excluding 240).

White Settlement ISD Comparative Summary of Revenues, Expenditures & Changes in Fund Balance Federal Fund by Object

	2018-19 Audited Actual	2019-20 Audited Actual (10 months)	2020-21 Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Federal Revenues	2,968,404	3,018,907	7,321,337	10,174,597	7,096,968	(3,077,629)
Total Revenues	\$ 2,968,404	\$ 3,018,907	\$ 7,321,337	\$ 10,174,597	\$ 7,096,968	(3,077,629)
Expenditures						
Payroll Costs	2,845,427	2,428,845	3,803,967	6,747,308	6,033,797	(713,511)
Contracted Services	-	351,200	1,989,039	305,640	511,605	205,965
Supplies and Materials	-	121,474	1,289,070	2,964,456	137,693	(2,826,763)
Other Costs	122,977	87,888	115,746	142,933	78,748	(64,185)
Capital outlay	-	29,500	123,515	14,260	335,125	320,865
Total Expenditures	\$ 2,968,404	\$ 3,018,907	\$ 7,321,337	\$ 10,174,597	\$ 7,096,968	\$ (3,077,629)
Net change in fund balances						
Fund Balance - (Beginning)	\$ -	\$ -	\$ -	\$ -	\$ -	
Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -	\$ -	

Other State & Local Funds

The Other State Funds are used to account for state grants awarded to the district with the purpose of accomplishing specific educational goals. The district's Other State Funds include the Instructional Materials Allotment (IMA) and Public School Child Care Services. The local funds include a City of Fort Worth After School Program Grant, Education Foundation Grants awards, and Activity Funds. State and Local Funds do not require school board adoption, but are included in this document for information purposes. The Other State and Local fund codes range from 410-486.

These funds utilize the modified accrual basis of accounting.

White Settlement ISD Comparative Summary of Revenues, Expenditures & Changes in Fund Balance Other State and Local Funds by Object

	2018-19 Audited Actual	2019-20 Audited Actual (10 Months)	2020-21 Audited Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Local and intermediate sources	1,220,852	964,257	759,705	858,239	865,000	6,761
State program revenues	910,514	958,428	170,709	395,038	383,381	(11,657)
Total Revenues	\$ 2,131,366	\$ 1,922,685	\$ 930,414	\$ 1,253,277	\$ 1,248,381	\$ (4,896)
Expenditures						
Payroll Costs	1,259	50,000	-	-	-	-
Contracted Services	1,094,879	136,231	163,932	250,791	250,000	(791)
Supplies and Materials	790,741	1,445,774	577,642	902,141	898,381	(3,760)
Other Costs	210,000	125,000	152,649	100,345	100,000	(345)
Capital Outlay	-	-	50,000	-	-	-
Total Expenditures	\$ 2,096,879	\$ 1,757,005	\$ 944,223	\$ 1,253,277	\$ 1,248,381	\$ (4,896)
Net change in fund balances	\$ 34,487	\$ 165,680	\$ (13,809)	\$ -	\$ -	
Fund Balance - (Beginning)	\$ 570,242	\$ 604,729	\$ 770,409	\$ 756,600	\$ 756,600	
Fund Balance - June 30 (Ending)	\$ 604,729	\$ 770,409	\$ 756,600	\$ 756,600	\$ 756,600	



Looking towards the Future

The District's budgeting process is more than just funding the next fiscal year's operations. The Board of Trustees and District administration anticipate major budget challenges two to five years into the future. A list of these budget considerations is shown below:

1. Future legislation changes to the school funding formula.
2. Academic accountability standards will continue to escalate.
3. Salary and benefit cost will continue to escalate due to competition.
4. Operating cost continue to increase due to rising costs.

Although the goal is to prepare a balanced budget, deficits may occur. The fund balance should remain above the Board Policy of 2 months operating expenditures.



Budget Forecast For All Funds

In accordance with the budget parameters set forth in Board Policy CE(LOCAL), the budget is forecast for three upcoming years to account for future implication of the budget proposals and revenue estimates. In the following budget forecast, several assumptions are made. The assumptions are described in the following tables.

White Settlement Independent School District Comparative Summary of Revenues, Expenditures & Changes in Fund Balance All Funds Financial Forecast

	2022-23	2023-24	2024-25	2025-26
Projected Revenues				
Local and Intermediate Sources	\$ 44,089,614	\$ 47,476,795	\$ 48,901,098	\$ 51,568,131
State Program Revenues	39,052,461	41,337,003	41,483,113	44,827,606
Federal Program Revenues	10,043,888	7,229,380	7,456,037	7,679,718
Other Sources			-	-
Total Revenues	\$ 93,185,963	\$ 96,043,178	\$ 97,840,248	\$ 104,075,455
Projected Expenditures				
Payroll Costs	\$ 62,237,380	\$ 61,699,349	\$ 63,665,916	\$ 65,575,893
Contracted Services	8,237,908	10,264,080	9,392,567	9,674,344
Supplies and Materials	5,521,560	4,902,274	5,076,115	5,177,637
Other Costs	1,668,865	1,524,054	1,583,273	1,614,938
Debt Service	15,195,688	15,677,225	15,962,482	11,127,343
Capital outlay	429,125	1,097,312	2,140,204	2,204,410
Other Uses				
Total Expenditures	\$ 93,290,526	\$ 95,164,294	\$ 97,820,557	\$ 95,374,566
Net change in fund balances	(104,563)	878,884	19,691	8,700,889
Fund Balance - July 1 (Beginning)	\$ 41,445,863	\$ 41,341,300	\$ 42,220,184	\$ 42,239,875
Fund Balance - June 30 (Ending)	\$ 41,341,300	\$ 42,220,184	\$ 42,239,875	\$ 50,940,764

Assumptions:

- (1) For Local Revenue a 3%- 5% per year increase was projected due to expected growth.
- (2) A 3% student growth each year was used to project state revenue.
- (3) Federal funds are approximately \$3 million more in 2022-23 due to left over COVID-19 pandemic allocations.
- (4) Salary increases typically range from 1%- 4% A 3% increase per year was used.
- (5) Non payroll expenses will increase to accommodate growth. An increase of 2%-4% was used.
- (6) Debt Service is based on current bond and maintenance tax note schedules.

General Fund Budget Forecast

Based on the assumptions, the General Fund is anticipated to have a budgeted deficit in the second and third years. The District will focus on aligning resources (people, time, and money) to student achievement goals and the District Strategic Plan while pursuing plans to balance the budget. These projections are continuously monitored and update throughout the year as more information becomes available.

White Settlement Independent School District General Fund Forecast by Object

	2022-23	2023-24	2024-25	2025-26
<u>Projected Revenues</u>				
Local and intermediate sources	\$ 27,889,943	\$ 30,484,440	\$ 31,398,973	\$ 32,340,943
State program revenues	38,231,563	39,378,510	40,559,865	41,776,661
Federal program revenues	507,500	522,725	538,407	554,559
Total Revenues	\$ 66,629,006	\$ 70,385,675	\$ 72,497,245	\$ 74,672,163
<u>Projected Expenditures</u>				
Payroll Costs	\$ 54,492,375	\$ 56,127,146	\$ 57,810,961	\$ 59,545,289
Contracted Services	7,331,978	7,625,257	7,930,267	8,247,478
Supplies and Materials	2,622,336	2,727,229	2,836,319	2,949,771
Other Costs	1,373,317	1,428,250	1,485,380	1,544,795
Debt Service	740,000	623,510	604,932	606,352
Capital outlay	69,000	1,072,312	2,115,204	2,199,813
Other Uses				
Total Expenditures	\$ 66,629,006	\$ 69,603,704	\$ 72,783,063	\$ 75,093,498
Net change in fund balances	\$ -	781,971	(285,818)	(421,336)
Fund Balance - July 1 (Beginning)	\$ 22,791,650	\$ 22,791,650	\$ 23,573,621	\$ 23,287,803
Fund Balance - June 30 (Ending)	\$ 22,791,650	\$ 23,573,621	\$ 23,287,803	\$ 22,866,467

Assumptions:

- (1) For Local Revenue a 3% - 5% per year increase was projected due to expected growth.
- (2) A 3% student growth each year was used to project state revenue
- (3) Salary increases typically range from 2% - 4%. A 3% increase per year was used.
- (4) Non payroll expenses will increase to accommodate growth and cost of living increases. An increase of 4% was used.
- (5) One million dollars was added to capital outlay budget for 2023-24 and 2024-25 to help with facility needs related to student growth.
- (6) Debt service budget is actual maintenance tax note payments.

Debt Service Budget Forecast

Based on the assumptions, the Debt Service Fund is anticipated to have a budgeted will be sufficient to service the bond payments.

White Settlement Independent School District Forecast for Debt Service Fund

	2022-23	2023-24	2024-25	2025-26
<u>Projected Revenues</u>				
Local and Intermediate Sources	\$ 14,063,171	\$ 14,766,330	\$ 15,209,319	\$ 15,665,599
State Program Revenues	392,517	412,143	424,507	437,242
Total Revenues	\$ 14,455,688	\$ 15,178,472	\$ 15,633,827	\$ 16,102,841
<u>Projected Expenditures</u>				
Debt Administration- Principal	3,229,398	2,850,987	2,334,183	1,222,461
Debt Administration- Interest	11,216,290	12,192,727	13,013,907	13,982,079
Debt Administration - Fees	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Total Expenditures	\$ 14,455,688	\$ 15,053,715	\$ 15,358,090	\$ 15,214,540
Net change in fund balances		124,758	275,737	888,301
Fund Balance - July 1 (Beginning)	16,912,344	16,912,344	17,037,102	17,312,838
Fund Balance - June 30 (Ending)	\$ 16,912,344	\$ 17,037,102	17,312,838	18,201,140

Assumptions:

- (1) For Local Revenue a 3% - 5% per year increase was projected due to expected increase to property values.
- (2) Principal and interest payments are based on the district's revised bond schedule as of March 1, 2022.
- (3) The district sold bonds in July 2022. The expenditures for all years include bond payments on bonds sold in July 2022.
- (3) The District will earn state aid for the hold harmless related to the increase in the homestead exemption beginning in 2022-23.



Student Nutrition Budget Forecast

Based on the assumptions, the Student Nutrition Fund will provide enough revenue to self-support itself.

White Settlement Independent School District Financial Forecast for Student Nutrition Fund

	2022-23	2023-24	2024-25	2025-26
<u>Projected Revenues</u>				
Local and Intermediate Sources	\$ 1,271,500	\$ 1,335,075	\$ 1,375,127	\$ 1,416,381
State Program Revenues	45,000	46,350	47,741	49,173
Federal Program Revenues	2,439,420	\$ 2,561,391	2,689,461	2,823,934
Other Sources	-	-	-	-
Total Revenues	\$ 3,755,920	\$ 3,942,816	\$ 4,112,328	\$ 4,289,487
<u>Projected Expenditures</u>				
Payroll Costs	\$ 1,711,208	\$ 1,762,544	\$ 1,815,421	\$ 1,869,883
Contracted Services	244,325	246,768	249,236	251,728
Supplies and Materials	1,863,150	1,919,045	1,976,616	2,035,914
Other Costs	16,800	17,304	17,823	18,358
Capital outlay	25,000	25,000	25,000	25,000
Total Expenditures	\$ 3,860,483	\$ 3,970,661	\$ 4,084,095	\$ 4,200,884
Net change in fund balances	(104,563)	(27,845)	28,233	88,604
Fund Balance - July 1 (Beginning)	\$ 985,269	\$ 880,706	\$ 852,861	\$ 881,094
Fund Balance - June 30 (Ending)	\$ 880,706	\$ 852,861	\$ 881,094	\$ 969,698

Assumptions:

- (1) For Local Revenue a 3%-5% per year increase was projected due to expected student growth.
- (2) For State Revenue a 5% per year was used due to student growth and projected increase in per meal reimbursement amount.
- (3) Salary increases typically range from 2% - 5%. A 3% increase per year was used.
- (4) Non payroll expenses will increase to accommodate growth. An increase of 3% was used.
- (5) At FYE 2021 this fund had over three months of fund balance. The plan is to use the extra funds to increase the employee pay sch to allow the district to be more competitive in the labor market.



Federal Funds Budget Forecast

In the following budget forecast, several assumptions are made. The assumptions are described in the following table.

White Settlement ISD Financial Forecast for Federal Funds

	2022-23	2023-24	2024-25	2025-26
<u>Projected Revenues</u>				
Federal Program Revenues	7,096,968	4,145,264	4,228,169	4,312,733
Total Revenues	<u>\$ 7,096,968</u>	<u>\$ 4,145,264</u>	<u>\$ 4,228,169</u>	<u>\$ 4,312,733</u>
<u>Projected Expenditures</u>				
Payroll Costs	\$ 6,033,797	\$ 3,655,159	\$ 3,880,399	\$ 3,962,341
Contracted Services	511,605	361,605	216,700	216,700
Supplies and Materials	137,693	50,000	51,000	52,020
Other Costs	78,748	78,500	80,070	81,672
Capital outlay	335,125	-	-	-
Total Expenditures	<u>\$ 7,096,968</u>	<u>\$ 4,145,264</u>	<u>\$ 4,228,169</u>	<u>\$ 4,312,733</u>
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund Balance - July 1 (Beginning)	\$ -	\$ -	\$ -	\$ -
Fund Balance - June 30 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Assumptions:

- (1) Federal Revenue is not guaranteed from year to year. For projection purposes we estimated an increase of 2% per year.
- (2) Salary increases typically range from 2% - 4%. A 3% increase per year was used.
- (3) If Revenue remains the same and salary costs increase each year, other costs will need to be reduced to account for the difference.
- (4) The 2022-23 budget includes 3 million of one-time federal funds related to the COVID Pandemic special funding.
- (5) Approximately 2 million of salary currently paid for from federal programs will move to the General Fund in 2023-2024



Other State and Local Funds Forecast

In the following budget forecast, several assumptions are made. The assumptions are described in the following table.

White Settlement ISD Financial Forecast for Other State and Local Funds

	2022-23	2023-24	2024-25	2025-26
<u>Projected Revenues</u>				
Local and intermediate sources	\$ 865,000	\$ 890,950	\$ 917,679	\$ 945,209
State program revenues	383,381	1,500,000	450,000	1,500,000
Total Revenues	\$ 1,248,381	\$ 2,390,950	\$ 1,367,679	\$ 2,445,209
<u>Projected Expenditures</u>				
Payroll Costs	\$ -	\$ -	\$ -	\$ -
Contracted Services	150,000	154,500	159,135	163,909
Supplies and Materials	898,381	2,030,450	996,364	2,062,755
Other Costs	200,000	206,000	212,180	218,545
Debt Service	-	-	-	-
Capital outlay	-	-	-	-
Other Uses	-	-	-	-
Total Expenditures	\$ 1,248,381	\$ 2,390,950	\$ 1,367,679	\$ 2,445,209
Net change in fund balances	\$ -	\$ -	\$ -	\$ (0)
Fund Balance - July 1 (Beginning)	\$ 756,600	\$ 756,600	\$ 756,600	\$ 756,600
Fund Balance - June 30 (Ending)	\$ 756,600	\$ 756,600	\$ 756,600	\$ 756,600

Assumptions:

- (1) The student Activity Local Revenue is expected to increase by 3% each year along with student growth projection.
- (2) The State Revenue from the Instructional Materials Allotment is expected to increase for the 2022-23 and 2024-25 school years when the state awards allocations (every other year).
- (3) The expenditures are expected to increase 3% plus the additional Instructional Materials Allotment allocated in years 2022-23 and 2024-25.



Personnel

Student growth is the force behind personnel needs. Each year the Human Resources Department has to evaluate the need for staffing changes and growth positions needed based on student enrollment projections. Several positions were added due to student growth and specific student needs. Two counselors and one truancy officer was added to meet student needs related to attendance and mental health issues.

White Settlement Independent School District District Employees by Position

POSITION:	2017	2018	2019	2020	2021	2022	2023
Administrator	14.5	15.5	17.5	18.5	19.5	20.5	20.5
Associate/Assistant Principal/Testing	20	19	20	20	22	24	24
Athletic Trainer	2	2	2	4	5	2	2
Auxiliary Staff	140.5	140	151	148	145	150.8	150.8
Communications Professional	1	1	1	1	1	2	2
Counselor	15	14	14	14	15	16	18
Directors	4	4	4	5	4	5	6
Educational Aide	118.5	121.5	127.5	129.5	130.5	114.2	114.2
Educational Diagnostician	8	7	7	8	7	7.5	7.5
Instructional Coaches	8	9	12	8	9	9	10
Librarian	1	1	1	1	1	1	1
Nurse	9	9	9	9	9	10	10
Occupational Therapist	1	2	2	2	2	2	2
Other Non-Campus Prof. Personnel	3.5	13.5	15	19	20	26.5	26.5
Orientation/Mobility Instructor	0	0	0	0	0	1	1
Physical Therapist	0	0	0	0	1	1	1
Police	4	4	4	4	5	5	5
Psychologist/LSSP	0	1	1	3	4	2	0
Principal	9	9	8	8	8	9.5	10
Social Worker	2	2	2	3	4	2	2
Speech Therapist	7	7	7	9	9	8	8
Teacher	427	431	428	430	429	444.5	447
Truant Officer/Visiting Teacher	0	0	0	0	0	1	2
Total Employees	795	813	833	844	850	864.5	870.5

Source: District records.



Performance Measures

White Settlement ISD earned a B District Rating from the Texas Education Agency for 2021-22. The Fine Arts Academy improved from a B to an A rating, and Blue and West Elementariness improved from a D to a B. West also earned three distinctions. North Elementary increased from a C to a B, and every school met or exceeded the state standards.

The accountability ratings are based on data in three domains: student achievement (how well students performed on the STAAR); school progress (how much improvement students made from one year to the next or how well they did in relation to comparable campuses); and closing the gaps (how well schools do educating kids in different subgroups, such as those living in poverty, enrolled in special education or of various ethnic backgrounds).

The ratings are based on a system that uses various indicators to provide greater detail of the performance of a district or campus. The performance index framework measures what students are learning in each grade and whether or not they are ready for the next grade. It also shows how well a school prepares their students for success after high school in college, the workforce, or the military.

Despite learning gaps and lost instructional time due to COVID over the past three years, students have excelled academically.

The following programs have been instrumental in preparing students for success after high school:

- Brewer High School offers multiple college credit courses through dual credit partnerships, enabling students to graduate from high school with most of the credit hours needed to earn an associate degree.
- Brewer offers Advance Placement (AP) courses for high schoolers as well as courses in Pre-AP for middle schoolers, giving them a head start in the advanced academic graduation program.
- Brewer High School offers 24 programs of study to prepare students for success upon graduation. Students can earn industry certifications including: Medical Assistant, Welding, Cosmetology, Culinary Arts, Animal Science, Adobe and Microsoft Office software and Commercial Remote Pilot (drones).
- Every student has the opportunity to take the SAT or ACT free of charge. The district budgets the cost of these tests and WSISD is an approved testing site, ensuring that students have access to the tests with no financial burden and need to travel. The SAT and ACT tests provide students with an opportunity to measure their readiness for college.

In 2021, White Settlement ISD scored a B (86 and of 100) on the Financial Integrity Rating System of Texas (FIRST). This rating is based on the 2020-2021 financial data. This is the first year the District did not receive an A Superior Rating. The District lost 14 points because of the new calculations related to the bond debt. In 2003, the District issued some Capital Appreciation Bonds. These bonds have caused the District to lose points on the rating system. FIRST is the state's school financial accountability rating system which ensures that Texas public schools are held accountable for the quality of their financial management practices and that they improve those practices.

Summary

The 2022-23 budget was developed according to the goals and directives established by the Board of Trustees and the Superintendent. These goals are evident in all areas of the budget, as resources have been allocated across the District to focus on educational excellence and to utilize resources in the most efficient way possible.

Looking to the future, White Settlement ISD recognizes the necessity of prioritizing needs. We believe it's important to look at our current facilities and technology to plan for future land purchases, building construction, and technology purchases. However, we believe that this budget document demonstrates reasonable and prudent progress to satisfy the needs of the students, families, and members of our community.

It is our goal to provide the best possible education for our students, while still being good stewards of taxpayer money. We appreciate the support provided by the WSISD Board of Trustees for the development, implementation, and maintenance of excellent education programs for the children of our district.

The White Settlement Independent School District has successfully adopted budgets that strategically aligned with the District's goals and strategic plan.



Organizational Section



General Information

White Settlement Independent School District was established in 1959. The district is governed by a seven-member Board of Trustees (the Board) serving staggered three-year terms with elections held in May of each year. All candidates must be qualified voters and residents of the District. Monthly meetings of the Board are posted and advertised as prescribed under state law so that the Board may meet to fulfill its charge to the students, parents, staff, and taxpayers of the District. Special meetings or study sessions are scheduled as needed.

The Board has final control over all school matters except as limited by state law, the courts, and the will of its citizenry as expressed in elections. The Board's responsibilities are generally: to set policy for WSISD; to ensure efficient operations; to select and evaluate the Superintendent of Schools; to adopt an annual budget and its supporting tax rate; and to foster good community relations and communications.

The district provides a well-rounded program of public education in grades pre-kindergarten through 12. The school system facilities consist of 10 schools: 1 elementary/Early Childhood Academy (Pre-K-4), 1 STEAM Academy (K-4), two elementary schools (K-4), one Fine Arts Academy (K-6), one intermediate school (5-6), one Virtual Academy (K-8), 1 middle school (7-8), one high school (9-12), and one disciplinary alternative education placement campus.

All schools within the district are fully accredited by the Texas Education Agency. The district maintains pupil-teacher ratios of 22:1 for grades kindergarten through 4, and a 28:1 ratio for grades 5 through 12. The district employs a total of 867 full- and part-time personnel.

To serve its current students, the district provides regular special education, vocational, gifted/talented, and bilingual/ESL curriculums. A broad range of elective and extracurricular programs are also offered. Support departments of the district ensure that student needs for transportation, nutrition, guidance, counseling, and facilities maintenance are addressed.

Continuing to provide financial resources to support the district's vision/mission, striving to stay in the top paying districts to attract/maintain highly qualified teachers; and funding capital expenses to address growth while still maintaining a healthy fund balance are the overall budget goals of the district each year.

The budget is a good balance of choices representing the responsive equilibrium between the educational needs of students and the ability of the community and the state to provide the necessary financial support to serve them.

Budget Board Policy

The White Settlement ISD Board Policy regarding the budget and fiscal management reads as follows:

Annual Operating Budget

The district shall operate on a fiscal year beginning July 1 and ending June 30.

Budget Planning

Budget planning shall be an integral part of the overall program planning so that the budget effectively reflects the district's programs and activities and provides the resources to implement them. In the budget planning process, general educational goals, specific program goals, and alternatives for achieving program goals shall be considered, as well as input from the District-

and campus-level planning and decision-making committees. Budget planning and evaluation and continuous processes and shall be a part of each month's activities.

Budget Meeting

The annual public meeting to discuss the proposed budget and tax rate shall be conducted as follows:

- 1.) The Board President shall request at the beginning of the meeting that all persons who desire to speak on the proposed budget and/or tax rate sign up on the sheet provided.
- 2.) Prior to the beginning of the meeting, the Board may establish time limits for speakers.
- 3.) Speakers shall confine their remarks to the appropriation of funds as contained in the proposed budget and/or the tax rate.
- 4.) No officer or employee of the district shall be required to respond to questions from speakers at the meeting.

Authorized Expenditures

The adopted budget provides authority to expend funds for the purposes indicated and in accordance with state law, Board policy, and the district's approved purchasing procedures. The expenditure of funds shall be under the direction of the Superintendent or designee who shall ensure the funds are expended in accordance with the adopted budget.

Budget Amendments

The Board shall amend the budget when a change is made increasing any of the functional spending categories or increasing revenue object accounts and other resources.

Fund Balance Policy

WSISD Board of Trustees adopted a fund balance policy that requires at least two months of operating. The District has communicated to the board that the common practice is to keep at least 3 months of operating costs in fund balance. For the 2022-23 fiscal year end, the General Fund balance was budgeted to be \$22,791,650, 4.07 months of operating expenses.

Budget and Financial Policies

Statement of Texas Law

Sections 44.002 through 44.006 of the Texas Education Code establish the legal basis for budget development in school districts. The following items summarize the legal requirements from the code:

- 1.) The Superintendent is the budget officer for the district and prepares or causes the budget to be prepared.
Note: TEA recommends that an interactive approach between the Board of Trustees and the Superintendent be taken to establish the budget process and define related roles and responsibilities.
- 2.) The district budget must be prepared by a date set by the State Board of Education, currently June 19.
- 3.) The President of the Board of Trustees must call a public meeting of the Board of Trustees, giving 10 days public notice in a newspaper, for the adoption of the district budget. Any taxpayer in the district may be present and participate in the meeting. Concurrently with the publication of notice of the budget above, a school district must post a summary of the proposed budget on the school district's internet website. The budget summary must include a comparison to the previous year's actual spending and information relating to per-student and aggregate spending on instruction, instructional support, central

administration, district operations, debt service, and any other category designated by the commissioner. Educational Code 44.0041

The summary of the budget should be presented in the following function areas:

- A.) Instruction – functions 11, 12, 13, 95
 - B.) Instructional Support – functions 21, 23, 31, 32, 33, 36
 - C.) Central Administration – functions 41
 - D.) District Operations – functions 51, 52, 53, 34, 35
 - E.) Debt Service – function 71
 - F.) Other – functions 61, 81, 91, 92, 93, 97, 99
 - G.) The “per-student” will be based on student enrollment.
- 4.) No funds may be expended in any manner other than as provided for in the adopted budget. The Board does have the authority to amend the budget or adopt a supplementary emergency budget to cover unforeseen expenditures.
 - 5.) The budget must be prepared in accordance with GAAP (Generally Accepted Accounting Principles) and state guidelines.
 - 6.) The budget must be legally adopted before the adoption of the tax rate unless the district elects to adopt a tax rate before receiving the certified appraisal roll for the district as provided by Section 26.05(g), Tax Code (see the following point if the district elects to adopt the tax rate first). Additionally, a school district must publish a revised notice to hold another public meeting before the district may adopt a tax rate that exceeds the following: (1) The rate proposed in the notice prepared using the estimate; or (2) The district’s rollback rate determined under Section 26.08, Tax Code, using the certified appraisal roll.
 - 7.) If a school district elects to adopt a tax rate before adopting a budget, the district must publish notice and hold a meeting for the purpose of discussing the proposed tax rate as provided by TEC 44.004. Following adoption of the tax rate, the district must publish notice and hold another public meeting before the district may adopt a budget. The comptroller shall prescribe the language and format to be used in the notices. The school district may use the certified estimate of taxable value in preparing a notice.
 - 8.) HB 3, 81st Regular Session, added TEC 39.084 which requires that on final approval of the budget by the school board, the school district shall post on the District’s internet website a copy of the adopted budget. The website must prominently display the electronic link to the adopted budget until the third anniversary of the date the budget was adopted.

Legal Requirements for Budgets

The state, TEA, and the local district formulate legal requirements for school district budgets. Additional legal requirements also may be imposed by state and federal grants; however, this section deals only with state legal mandates, TEA legal requirements, and local district requirements for basic budget development and submission.

Authorized Expenditures

The district shall not lend its credit or gratuitously grant public money or things of value in aid of any individual, association, or corporation. Tex. Const. Art. III, Sec. 52; *Brazoria County v. Perry*, 537 S.W.2d 89 (Tex. Civ. App. –Houston [1st Dist.] 1976, no writ) The district shall not grant any extra compensation, fee, or allowance to a public officer, agent, servant, or contractor after service has been rendered or contract entered into and performed in whole or in part. Nor shall the District pay or authorize the payment of any claim against the District under any agreement or contract made without authority of law. Tex. Const. Art. III, Sec. 53; *Harlingen Indep. Sch. Dist. v. C.H.*

Page and Bro., 48 S.W.2d 983 (Comm. App. 1932) The state and county available funds disbursed to the District shall be used exclusively for salaries of professional certified staff and for interest on money borrowed on short time to pay such salaries, when salaries become due before school funds for the current year become available. Loans for paying professional certified staff salaries may not be paid out of funds other than those for the current year. Education code 45.105(b)

Local funds from district taxes, tuition fees, other local sources, and state funds not designated for a specific purpose may be used for salaries of any personnel and for purchasing appliances and supplies; for the payment of insurance premiums; for buying school sites; for buying, building, repairing, and renting school buildings, including acquisition of school buildings and sites by leasing through annual payments with an ultimate option to purchase [see CHG]; and for other purposes necessary in the conduct of the public schools to be determined by the Board. Education Code 45.105(c).

Use of District Resources

No public funds of the district may be spent in any manner other than as provided for in the budget adopted by the Board. Education Code 44.006(a)

Improvements to Real Property

Except as provided below or by Education Code 45.109(a1) or (a2) [see CX], the Board shall not enter into an agreement authorizing the use of district employees, property, or resources for the provision of materials or labor for the design, construction, or renovation of improvements to real property not owned or leased by the district. This section does not prohibit the Board from entering into an agreement for the design, construction, or renovation or improvements to real property not owned or leased by the district if the improvements benefit real property owned or leased by the district. Benefits to real property owned or leased by the district include the design, construction, or renovation of highways, roads, streets, sidewalks, crosswalks, utilities, and drainage improvements that serve or benefit the real property owned or leased by the district. Education Code 11.168

Hotels

The Board may not impose taxes, issue bonds, use or authorize the use of district employees, use, or authorize the use of district property, money, or other resources, or acquire property for the design, construction, renovation, or operation of a hotel. The Board may not enter into a lease, contract, or other agreement that obligates the use of district employees or resources in a manner prohibited by this section. "Hotel" means a building in which members of the public obtain sleeping accommodations for consideration. The term includes a motel. Education Code 11.178

Electioneering

The Board may not use state or local funds or other resources of the district to electioneer for or against any candidate, measure, or political party. Education Code 11.169

Commitment of Current Revenue

A contract for the acquisition, including lease, of real property is a commitment of the district's current revenue only, provided the contract has at least one of the following provisions:

- 1.) Reserves, to the Board, the continuing right to terminate the contract at the expiration of each budget period during the term of the contract; and/or
- 2.) Is conditioned on a best effort attempt by the Board to obtain and appropriate funds for the payment of the contract. Local Gov't Code 271.903

Fiscal Year

The Board may determine if the district's fiscal year begins on July 1 or Sept. 1 of each year. Education Code 44.0011

Budget Preparation

The superintendent shall prepare, or cause to be prepared, a proposed budget covering all estimated revenue and proposed expenditures of the district of the following fiscal year. Education Code 44.002

Funds for Accelerated Instruction

A district that is required to provide accelerated instruction under Education Code 29.081 (b-1) [see EHBC] shall separately budget sufficient funds, including funds under Education Code 42.152, for that purpose. The district may not budget funds received under Education Code 42.152 for any other purpose until the district adopts a budget to support additional accelerated instruction. Education Code 29.081 (b-2)

Deadlines

The proposed budget shall be prepared on or before a date set by the State Board of Education, currently August 20 (June 19 if the district uses a July 1 fiscal year state date). Education Code 44.002(a); 19 TAC 109(a), .41 The adopted budget must be filed with the Texas Education Agency on or before the date established in the Financial Accountability System Resource Guide. Education Code 44.005; 19 TAC 109.1(a)

Public Meeting on Budget and Proposed Tax Rate

After the proposed budget has been prepared, the Board President shall call a Board meeting for the purpose of adopting a budget for the succeeding fiscal year. Any taxpayer of the district may be present and participate in the meeting. Education Code 44.004(a), (f) [See CCG for provisions governing tax rate adoption]. The meeting must comply with the notice requirements of the Open Meetings Act. Gov't Code 551.041, .043

Published Notice

The Board President shall also provide for publication of notice of the budget and proposed tax rate meeting in a daily, weekly, or biweekly newspaper published in the district. If no daily, weekly, or biweekly newspaper is published in the district, the president shall provide for publication of noticed in at least one newspaper of general circulation in the county in which the district's central administrative office is located. The notice shall be published not earlier than the 30th day or later than the 10th day before the date of the hearing.

Form of Notice

The published notice of the public meeting to discuss and adopt the budget and the proposed tax rate must meet the size, format, and content requirements dictated by law. The notice is not valid if it does not substantially conform to the language and format prescribed by the comptroller.

Taxpayer Injunction

If the district has not complied with the published notice requirements in the FORM OF NOTICE described above, and the requirements for DISTRICTS WITH JULY 1 FISCAL YEAR, below, if applicable, and the failure to comply was not in good faith, a person who owns taxable property in the district is entitled to an injunction restraining the collection of taxes by the District. An action to enjoin the collection of taxes must be filed before the date the district delivers substantially all of its tax bills.

Education Code 44.004(b)-(e)

Publication of Proposed Budget Summary

Concurrently with the publication of notice of the budget under Education Code 44.004, the district shall post a summary of the proposed budget on the district's Internet website or, if the district has no Internet website, in the district's central administrative office. The budget summary must include a comparison to the previous year's actual spending and information relating to per student and aggregate spending on:

- 1.) Instruction
- 2.) Instructional support
- 3.) Central administration
- 4.) District operations
- 5.) Debt service
- 6.) Any other category designated by the Commissioner

Education Code 44.0041

Decrease in Debt Service Rate

If the debt service rate calculated under Education Code 44.004(c)(5)(A)(ii)(b) decreases after the publication of the notice required by this section, the Board President is not required to publish another notice or call another meeting to discuss and adopt the budget and the proposed lower tax rate. Education Code 44.004(g-1)

Budget Adoption

The Board shall adopt a budget to cover all expenditures for the succeeding fiscal year at the meeting called for that purpose and before the adoption of the tax rate for the tax year in which the fiscal year covered by the budget begins.

Education Code 44.004(f)—(g)

Certified Estimate

By April 30, the chief appraiser shall prepare and certify an estimate of the taxable value of district property. Tax Code 26.01(e)

District with July 1 Fiscal Year

A district with a fiscal year beginning July 1 may use the certified estimate of the taxable value of district property in preparing the published notice if the district does not receive the certified appraisal roll on or before June 7. A district that uses a certified estimate may adopt a budget at the public meeting designated in the published notice prepared using the estimate, but the district may not adopt a tax rate before the district receives the certified appraisal roll for the district.

Education Code 44.004(h)—(i)



Budget Adoption After Tax Rate Adoption

Notwithstanding Education Code 44.004(g), (h), and (i), above, the district may adopt a budget after the district adopts a tax rate for the tax year in which the fiscal year covered by the budget begins if the district elects to adopt a tax rate before receiving the certified appraisal roll for the district as provided by Tax Code 26.05(g). Following adoption of the tax rate [see CCG], the district

must publish notice and hold a public meeting before the district may adopt a budget. The comptroller shall prescribe the language and format to be used in the notice. The district may use the certified estimate of taxable value in preparing the notice.
Education Code 44.004(j)

Publication of Adopted Budget

On final approval of the budget by the Board, the district shall post on the district's Internet website a copy of the budget adopted by the Board. The district's website must prominently display the electronic link to the adopted budget. The district shall maintain the adopted budget on the district's website until the third anniversary of the date the budget was adopted.
Education Code 39.084

Amendment of Approved Budget

The Board shall have the authority to amend the approved budget or to adopt a supplementary emergency budget to cover necessary unforeseen expenses. Copies of any amendment or supplementary budget must be prepared and filed in accordance with State Board rules.
Education Code 44.006

Failure to Comply with Budget Requirements

A Board member who votes to approve any expenditure of district funds in excess of the items appropriated in the adopted budget or a supplementary or amended budget commits a misdemeanor offense. Education Code 44.052(c)

Certain Donations

The district may donate funds or other property or service to the adjutant general's department, the Texas National Guard, or the Texas State Guard. Gov't Code 437.111(b), .252, .304(a)



TEA Legal Requirements

Additional TEA requirements for school district budget preparation are located at the following [link](#):

- 1.) The budget must be adopted by the Board of Trustees, inclusive of amendments, no later than June 30. In order to prepare the public notice to be published 10 days prior to the meeting, the district budget must be prepared by a date set by the State Board of Education, currently June 19.
- 2.) Minutes from district meetings will be used by TEA to record adoption and amendments to the budget.
- 3.) Budget for the General Fund, the Student Nutrition Fund (whether accounted for in the General Fund, as a Special Revenue Fund, or Enterprise Fund) and the Debt Service Fund must be included in the official district budget (legal or fiscal year basis). These budgets must be prepared and approved at least at the fund and function levels to comply with the state's legal level of control mandates.
- 4.) The officially adopted district budget, as amended, must be filed with TEA through PEIMS (Public Education Information Management System) by the date prescribed in the annual system guidelines. Revenues, other sources, other uses, and fund balances must be reported by fund, object (at the second level), organization, fiscal year, program intent, and amount.
- 5.) A school district must amend the official budget before exceeding a functional expenditure category (i.e., instruction, administration, etc.) in the total district budget. The annual financial and compliance report should reflect the amended budget amounts on the schedule comparing budgeted and actual amounts. The requirement for filing the amended budget with TEA is satisfied when the school district files its Annual Financial and Compliance Report.
- 6.) Expenditures must be reported by fund, fiscal year, function, organization, program intent, object (at the second level), and amount.



Financial Structure

Summary of Significant Accounting Policies

The White Settlement ISD is a public educational agency operating under the applicable laws and regulations of the State of Texas. A seven-member Board of Trustees governs the District. Each member is elected to an at-large position for three years in a non-partisan election. An election is held each year for either two or three positions. The district prepares its basic financial statements in conformity with Generally Accepted Accounting Principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in the Statement of Auditing Standards No. 69 of the American Institute of Certified Public Accountants. Additionally, the District complies with the requirements of the appropriate version of the Texas Education Agency (TEA) Financial Accountability System Resource Guide (FASRG), and the requirements of contracts and grants of agencies from which it receives funds.

Reporting Entity

The Board of the district is elected by the public; has the authority to make decisions, appoint administrators and managers; significantly influences operations; and has the primary accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by the Governmental Accounting Standards Board (GASB) in its Statement No. 14, "The Financial Reporting Entity." There are no component units included within the reporting entity.

Basis of Accounting

The district's basis of accounting for all funds is maintained on a modified accrual basis as prescribed by GAAP and the TEA Financial Accountability System Resource Guide. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues available if they are collected within ninety days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences, claims, and judgments, are designated as long-term liabilities in the district's financial statements and recorded only when payment is due.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State of Texas are recognized under the susceptible-to-accrual concept—that is, when they become both measurable and available to finance expenditures of the fiscal period. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are considered earned to the extent of the expenditures made under the provisions of the grant. If balances have not been expended by the end of the project period, grantors require the District to refund all or part of the unused amount.

Budgetary Basis of Accounting

The budgetary basis of accounting is consistently applied in budgeting, recording, and reporting foundation school program (FSP) revenues. Under the budgetary basis, earned and material FSP revenues that are collectible beyond ninety days are treated consistently for budgeting, recording, and reporting, and reporting through PEIMS and for the tax rollback rate calculation. The Board adopts an "appropriated budget" on a basis consistent with GAAP for the Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in order to reserve that portion of the applicable appropriation, is used in all governmental funds. Encumbrances outstanding at year-end are commitments that do not constitute expenditures or

liabilities but are reported as reservations of fund balances. Since appropriations lapse at the end of each year, outstanding encumbrances are appropriately provided for in the subsequent fiscal year's budget to provide for the liquidation of the prior commitments.

Governmental Fund Types

The District maintains three individual governmental funds and adopts an annual appropriated budget for its general fund, debt service fund, and student nutrition fund (National School Lunch Program). Information is presented separately by fund type in the Financial Section for each of the governmental funds outlined below.

The **General Fund (fund 19X)** is the government's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund. Major revenue sources include local property taxes, state funding under the Foundation School Program (FSP), the Available School Fund (ASF), and interest earnings. Expenditures include all costs associated with the daily operations of the District except for specific programs funded by the federal or state government, Student Nutrition, debt service, and capital projects. The is a budgeted fund.

The **Student Nutrition fund (fund 240)** is considered a special revenue fund based on the following criteria: (1) User fees are charged to supplement the National School Lunch Program (NSLP), (2) The General Fund subsidizes the Student Nutrition Fund for all expenditures in excess of NSLP, and (3) The District does not consider the Student National Fund completely self-supporting. Student Nutrition Fund balances are used exclusively for child nutrition purposes. The Student Nutrition Fund adopts an annual budget. This adopted fund is also included **in special revenue funds**. All other funds within this block are referred to as **grant funds**.

Grant funds (also referred to as **special revenue or federal funds**) account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a special revenue fund. All grant funds are budgeted on a project basis.

The **Debt Service fund (fund 599)** accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds. This is a budgeted fund.

The **Capital Projects fund (fund 6XX)** accounts for proceeds from long-term debt financing (including the sales of bonds), revenues and expenditures related to authorized construction, and other capital asset acquisitions. The capital projects fund is budgeted on a project basis. Projects are budgeted based on priority and funds available.

Classification of Revenues and Expenditures

Section 44.007 of the Texas Education Code requires that a standard school district fiscal accounting system be adopted by each school district. The accounting system must conform to generally accepted accounting principles (GAAP) and must meet at least the minimum requirements prescribed by the Commissioner of Education, subject to review and comment by the state auditor. A major purpose of the accounting code structure is to establish the standard school district fiscal accounting system required by law. Although certain elements of the account code may be used at local option, the sequence of the code within the structure, and the funds and chart of accounts, are to be uniformly used by all districts.

Account Code Composition

- Fund code—A mandatory 3-digit code is used for all financial transactions to identify the fund group and specific funds. The first digit refers to the fund group, and the second and third digits specify the fund.
- Function Code—A mandatory 2-digit code applied to expenditures/expenses that identifies the purpose of the transaction. The first digit identifies the major class, and the second digit refers to the specific function within the area.
- Object Code—A mandatory 4-digit code that identifies the nature and object of an account, a transaction, or a source. The first of the four digits identifies the type of account or transaction, the second digit identifies the major area, and the third and fourth digits provide further sub classifications.
- Sub-object Code—An optional code used to further define the object code. White Settlement ISD uses the sub-object code to provide additional information about the object.
- Organization Code—A mandatory 3-digit code identifying the organization, i.e., the campus or department.
- Program Intent Code—A mandatory 2-digit code used to designate the intent of a program provided to students. These codes are used to account for the cost of instruction and other services that are directed toward a particular need of a specific set of students.
- Budget Owner Code—An optional code that White Settlement ISD uses to represent the department the budget code is used for.

Revenues

District revenues are classified by fund and object or source. There are three major sources: local sources, state sources, and federal sources. Local sources include tax collections and investment earnings. Texas state sources rely on a formula of local property taxes and student enrollment for state aid and are based on legislated funding formulas. Federal funds in the general fund are primarily reimbursements received from the School Health Related Service (SHARS) program. Other Federal Revenue is from federal grants.

Other Local Sources

Other local sources include tuition from summer school and summer athletic camp programs, tuition from out of district patrons; interest earnings; rent from district facilities usage; gifts and donations; insurance recovery; revenue from student parking fees, and web advertisement; athletic gate and concession receipts; and lunch sales.

Expenditures

Expenditure budgets are legally adopted at the fund and function level; however, within this document we have included several additional presentations of expenditures. These presentations segregate expenditures by major objects. Major object codes are used to describe the type of items purchased or services obtained. The major object codes used in this document are payroll and related costs, purchased and contracted services, supplies and materials, debt Service and capital outlay, and other operating expenditures. Fund codes have been described in the preceding Fund Structure section. Following is a description of the function codes used throughout this document.

Function Codes – General Descriptions

10 Instruction and Instructional Related Services

11-Instruction: This function includes expenditures for direct classroom instruction and other activities that deliver, enhance, or direct the delivery of learning situations to students. For example, function 11 includes classroom teachers, teacher assistance, and graders, but does not include curriculum development (function 13) or principals (function 23).

12-Instructional Resources and Media Services: This function includes expenditures that are directly and exclusively used for resource centers, establishing, and maintaining libraries, and other major facilities dealing with educational resources and media. For example, function 12 includes librarians, but does not include textbooks (function 11) or reference books in the classroom (also function 11)

13-Curriculum Development and Instructional Staff Development: This function includes expenditures that are directly and exclusively used to aid instructional staff in planning, developing, and evaluating the process of provide learning experiences for students. This function also includes expenditures related to research and development activities that investigate, experiment and/or follow-through with the development of new or modified instructional methods, techniques, procedures, service, etc. For example, this function includes staff that research and develop innovative, new, or modified instruction and staff who prepare in-service training for instructional staff but does not include salaries of instructional staff when attending training (function 11 or 12).

20 Instructional and School Leadership

21-Instructional Leadership: This function encompasses those district-wide activities which are directly used for managing, directing, supervising, and providing leadership for staff who provide general and specific instructional services. For example, function 21 includes instructional supervisors but does not include principals. (function 23).

23-School Leadership: This function includes expenditures to direct and manage a school campus. It includes salaries and supplies for the principal, assistant principal, and other administrative and clerical staff, including attendance clerks.

30 Student Support Services

31-Guidance, Counseling and Evaluation Services: This function includes expenditures that are directly and exclusively used for assessing and testing students' abilities, aptitudes, and interests; counseling students with respect to career and educational opportunities and helping them establish realistic goals. This function includes costs of psychological services, identification of individual characteristics, testing, educational counseling, student evaluation, and occupational counseling.

32-Social Work Services: This function includes expenditures which are directly and exclusively used for activities such as investigating and diagnosing student social needs, casework, and group services, interpreting and social needs of students, and promoting modification of the circumstances surrounding the student. Examples include social workers, non-instructional home visitors, and truant officers.

33-Health Services: This function is for providing physical health services to students. This includes activities that provide students with appropriate medical, dental, and nursing services.

34-Student Transportation: This function includes the cost of transporting students to and from school. Function 34 includes transportation supervisors and bus drivers but does not include field trips (function 11) or student organization trips (function 36).

35-Student Nutrition: This function includes expenditures for Student Nutrition operation including the cost of food, labor, and other expenditures necessary for the preparation, transportation, and storage of food to provide to students and staff. Expenditures are directly and exclusively for

supervision and maintenance of a Student Nutrition operation. Function 35 includes cooks and food purchases but does not include concession stands at athletic events (function 36).

36-Extracurricular Activities: This function includes expenditures for school-sponsored activities outside or the school day. These activities are generally designed to provide students with experiences such as motivation and the enjoyment and improvement of skills in either a competitive or noncompetitive setting. Extracurricular activities include athletics and other activities (such as drill team, pep squad, cheerleading, etc.) that normally involve competition between schools.

40 Administrative Support Services

41-General Administration: This function is for the purpose of managing or governing the school district as an overall entity. It includes expenditures for the school board, superintendent's office, personnel services, and financial services.

50 Support Services—Non-Student Based

51-Facilities Maintenance and Operations: This function is for activities which keep the facilities and grounds open, clean, comfortable, in effective working condition, in a state of repair, and insured. This function is also for activities associated with warehousing and receiving services. Examples include janitors, facility insurance premiums, and warehouse personnel.

52-Security and Monitoring Services: This function is for activities to keep student and staff surroundings safe, whether in transit to or from school, on a campus or participating in school-sponsored events at another location.

53-Data Processing Services: This function is for data processing services, whether in-house or contracted. Personal computers and peripherals that are stand alone are charged to the appropriate function. Costs associated with mainframe, networks, and servers that provide services to multiple functions are recorded here.



60 Ancillary Services

61-Community Services: This function encompasses all other activities of the District which are designed to provide a service or benefit to the community as a whole or portion of the community. Examples include recreational programs, public library services, and parenting programs.

70 Debt Service

71-Debt Service: This function is used for the retirement of recurring bond, capital lease principal, and other debt, related debt service fees, and for all debt interest.

80 Capital Outlay

81-Facilities Acquisition and Construction: This includes expenses for acquiring, equipping, and/or making additions to real property and sites, including lease and capital lease transactions.

90 Intergovernmental Charges

95-Payments to Juvenile Justice Alternative Education Programs (JJAEP): This function is used to provide financial resources for JJAEP under Chapter 37 of the Texas Education Code. It is used to account for payments to other governmental entities in connection with students that are placed in discretionary or mandatory JJAEP settings.

99 Other Intergovernmental Charges

This function is used to record other intergovernmental charges not defined above. (i.e., Appraisal District)



Object Codes – General Descriptions

Revenue

5700 – Local and Intermediate Sources:

- 5711 Taxes Current Year Levy
- 5712 Taxes, Prior Years
- 5716 Fees – Tax Certificates
- 5719 Penalties, Interest, and Other Tax Revenues
- 5729 Services Rendered to Other School Districts
- 5735 Tuition—Regular Day School
- 5736 Tuition—Summer School and Athletic Summer Camps
- 5738 Fees—Student Parking
- 5739 Tuition and Fees—Other Local Sources
- 5742 Interest Earnings
- 5743 Rent
- 5744 Gifts and Donations
- 5745 Insurance Recovery
- 5749 Miscellaneous Revenue—Other Local Sources
- 5751 Student Nutrition Activity
- 5752 Athletic Activity

5800—State Revenue:

- 5811- Per Capita Apportionment
- 5812 Foundation School Program Act Entitlements
- 5819 Other Foundation School Program Act Revenues
- 5828 Prekindergarten Supplemental Revenues
- 5829 State Program Revenues Distributed by TEA
- 5831 TRS On-Behalf Payments
- 5839 State Revenue Other Than TEA, Miscellaneous Revenue from Intermediate Sources

5900—Federal Revenue:

- 5919 Federal Revenues from Gov't Other than State or Federal Agencies
- 5921 School Breakfast Program
- 5922 National School Lunch Program
- 5923 USDA Commodities
- 5929 Federal Revenue Distributed by TEA
- 5931 School Health and Related Services (SHARS)
- 5932 Medicaid Administrative Claiming Program (MAC)
- 5939 Federal Revenues from State of Texas Gov't Agencies (other than TEA)
- 5949 Federal Revenue Distributed Directly from the Federal Government

Expenditures

6100—Payroll Costs: Includes salaries of all full time and part time employees, substitute pay, stipends and employee benefits costs.

6200—Contracted Services: Includes any contracted services and repairs

6300—Supplies and Materials: Includes all expenditures or expenses for supplies and materials required for the daily operations of the district, including classroom, office, and maintenance and operations supplies, as well as textbooks.

6400—Miscellaneous: Includes travel, insurance, field trips, membership fees, training registrations, awards, and any other expense that does not fall into the above categories.

6500—Debt Service: Includes Principal and interest payments on debt and capital leases.

6600—Capital Outlay: Includes equipment purchases with a unit cost of over \$5,000 and Cataloged library books.

Other Sources

7900—Other Sources Include: Sale of bonds, sale of real property, proceeds from capital leases, loan proceeds, operating transfers in, premium/discount on bond issues, earnings from temporary deposits, gas royalty income, and other non-operating revenues.

Other Uses

8900—Operating Transfers Out: Transfers out to other district funds.



Management Process and Budget Controls

The budgetary process begins with sound planning. Planning defines the goals of the school district and develops programs to attain them. Once these programs and plans have been established, budgetary resource allocations are made to support them.

Budgetary resource allocations are the preparation phase of budgeting which begins in January of each year with the preparation of the budget calendar and enrollment projections. These enrollment forecasts are used extensively during the budget development stage to determine campus allotments and staffing allocations. Each campus receives a basic allotment per student to be used for supplies, materials, equipment, staff development and other appropriate instructional costs.

Budgets for non-campus units are developed by department heads and reviewed by the Superintendent, Associate Superintendent of Finance, and the Director of Budget. The departmental budget development process consisted of a modified zero-based process by which more detailed proposals on expenditure requests were required of central support services. The process provided a better look into the programmatic requests of the district's support services and is paving the road to building budgets that better align to district and departmental guiding statements and initiatives.

Budgets for Capital Projects are developed when a bond election takes place. The Long Range Facility Planning Committee meets and carefully prioritizes the bond projects. These projects are then budgeted by the facilities department for the current fiscal year.

Personnel units are allocated to each campus based on student enrollment following state mandated ratios as applicable. Non-campus personnel units are evaluated at each departmental budget. Additional personnel units are evaluated each year and after extensive review and analysis, recommendations are presented to the Board of Trustees.

The adoption stage of the budget process occurs in the month of June each year, prior to the start of the fiscal year on July 1st. The Board of Trustees has the responsibility of adopting the budget and setting the tax rate to support the budget. After adoption, the implementation of the budget is performed by the Business Department, with the cooperation of other District administrators. Implementation also includes establishing controls over revenues and expenditures, budget amendments, and informational reporting on the budget.

Finally, the budget is evaluated for its effectiveness in attaining the districts goals. Evaluation typically involves an examination of how funds were expended, what outcomes resulted from the expenditures of funds, and to what degree these outcomes achieved the objectives stated during the planning phase. This evaluation phase is important in determining the following year's budgetary allocations. The evaluation culminates in the performance of the annual audit performed by an independent external audit firm.

In summary, budget preparation is not a one-time exercise to determine how a school district will allocate funds. Rather, school district budget preparation is part of a continuous cycle of planning and evaluation to achieve district guiding statements.

Board of Trustee Budget Review and Adoption

The preliminary budget was given to the Board on May 10, 2021, in preparation for the May 17 Budget Workshop. The Proposed Budget, which incorporated changes subsequent to the preliminary draft, was submitted to the Board and adopted on June 21, 2021, at the required public meeting.

Tax Rate Adoption

The Business Director initially calculated the estimated tax rate and published the required legal notice in May 2022. The 2022-23 tax rate was set to \$1.4174. The Board held the required public meeting on August 15, 2022, to discuss proposed rate and adopted the tax rate on August 15, 2022.

Adjustments and Cross-Function Transfers

Initial campus allocations are calculated from prior year average enrollment. The average enrollment is calculated based on actual enrollment the last Friday in October and the actual enrollment the last day in January. The Final Amended Budget for the year ending June 30, 2022, was presented at the June 20, 2022, Board meeting. It reflected all amendments previously approved by the Board plus all final amendments. District principals and program/department directors may transfer appropriations within their campus or departments budgets. Appropriation transfers between budget codes require the approval of the district's Budget Director. Transfers between functions require the approval of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the function level within a fund.

Reporting to the Texas Education Agency

The district submits its annual budget, student attendance information, and its end-of-year financial status through a system called Public Education Information Management System (PEIMS). Transmission dates are established by TEA. The PEIMS system provides TEA and districts across the state with a wealth of demographic, attendance, and financial information. The district is also required to submit the annual approved Annual Comprehensive Financial Report (ACFR) to the TEA. The officially adopted budget, as amended, must be filed with the Texas Education Agency (TEA) through Public Education Information Management System (PEIMS) by the date prescribed in the annual system guidelines.

Approval Control

All purchases of goods and services are processed through the financial management system with the appropriate approval controls to ensure the legal purpose is met and the appropriate amount is charged.

Purchase requisitions are initially entered at the campus or department level and are approved by the campus principal or program director submitting the request. Purchase requisitions from Special Revenue budgets are approved by the Federal Grant Director. The Director of Business, or designee, reviews purchase requisitions to verify compliance with procurement laws, and to ensure that goods and services are requested from a legally qualified vendor. The purchase requisition is then converted into a purchase order and forwarded to the appropriate vendor. Upon receipt of an invoice, Accounts Payable verifies receipt of the goods or services, processes a check, and closes the purchase order.

Encumbrance Control

District procedures state that purchases of goods and services should be processed through the financial system with the appropriate encumbrance controls to ensure the availability of funds. An encumbrance is an obligation in the form of a purchase order charged to an appropriation that reserves a part of that appropriation. Additionally, pre-encumbrances are also reserved based on submitted purchase requisitions awaiting appropriate levels of approval and conversion into purchase orders. The financial software is set to prohibit entry of a requisition unless there are sufficient funds available at the budget control line item level.

Budget Amendment Control

TEC Section 44.006 applies to transfers at the function level as well as estimated revenue and appropriation adjustments. Campus and department budget managers must carefully analyze and prepare the annual budget in exacting detail. Appropriations over \$25,000 are not accessed until after Board approval, requested during regular meetings each month during the fiscal year.

Annual Audit

The Texas Education Code requires that school districts are audited annually. The audit is conducted on an organization wide basis and involves all fund types and account groups of the

school district. The audit is designed to meet the requirements of the Federal Single Audit Amendments of 1996 and the related provisions of OMB Circular A-133 "Audits of State, Local Governments, and Non-Profit Organizations." These rules facilitate preparation of financial statements that conform to generally accepted accounting principles (GAAP) established by the Governmental Accounting Standards Board (GASB). Upon approval, the annual financial report is designed to meet specific monitoring needs of the TEA.

Summary

The budget is a balance of policy choices. It also represents a responsive balance between the educational needs of students and the ability of the community and the state to provide the necessary financial support to serve them in a restricted funding environment with increasing academic standards. Development, review, and consideration of the 2022-23 Governmental Funds Budget was completed with a detailed and exhaustive review of every revenue and expenditure item within the context of the district's Vision, and Board Policy. School district budget preparation is part of a continuous cycle of planning, preparation, and evaluation to achieve the White Settlement ISD's guiding statements.

The below timeline covers the planning and preparation of the board adopted funds (General Fund, Student Nutrition Fund, and Debt Service Fund).



Budgetary Process Timeline – Board Adopted Funds

Activity	Responsibility	Completion Date
Demographic Report Presented	Demographer	December
Instructional Department meets with Superintendent's Cabinet to finalize major changes to instructional strategies and other major changes for the next school year	Central Office Administration	January
Principals and Human Resources work on projected enrollments and staff needs	Principals/Human Resource Director	January
Projections of student enrollment and tax base are finalized to determine revenue for the General Fund Budget	Central Officer Administration	January
Campus and Department Allocations are calculated based on current year student numbers	Director of Business	January
Requests for additional Staff due to Human Resources	Human Resources	January
Calculate Cost of Employee Raises	Central Officer Administration	February
Budget Meetings held with all campuses and departments – current year budget status is reviewed during the meetings as well as any additional needs for the following year budget	Assistant Superintendent of Finance and Operations, Principals and Directors, and Director of Business	February 15– March 5
Campus/Department Budgets due to Business Office	Central Office Administration	March 30-April 1
Capital project needs and wants list is developed from budget meetings and changes to District Educational Strategies	Central Office Administration	April
Review General Fund Revenue projections previously developed for General Fund	Central Office Administration	April - May
Prepare first pass of board approved budgets	Director of Business	By May 5
Work session to review 1 st pass of with Superintendent Council	Central Office Administration/School Board	By May 10
Work session with Board of Trustees	Board of Trustees	May 17
Publish "Notice of Public Meeting to Discuss Budget and Proposed Tax Rate	Business Director	By June 8
Review previous tax rate calculations to make sure rate does not increase after receiving certified values. If rate increases, publish new notice on tax rate.	Director of Business	July 2
Hold Public Meeting to Discuss Budget and Proposed Tax Rate, adopt the next year budget, and approve the final amendment to the current year budget	Board of Trustees	June 21

Receive Certified Values from Tarrant County Appraisal District	Tarrant County Appraisal District/ Tarrant Tax Assessor	July 25
Republish the Notice of Public Meeting to Discuss Budget and Proposed Tax Rate If the calculated tax rate exceeds the notice published in June	Business Director	August
Adopt the tax rate	Board of Trustees	By August 25



Financial Section



Introduction



The Financial Section provides specific fiscal information regarding the various funds of the District. By law, the Board of Trustees must approve annual budgets for the General Fund, Student Nutrition Fund, and Debt Services Fund. These three funds are included in this section. Special Revenue Funds (Federal Funds and State Funds) are also included as information only.

The Financial Section begins with the combined statements by major object and function of the General Fund, Debt Service Fund, Student Nutrition Fund, Federal Revenue Funds, and Other State and Local Funds. Comparative Summary reports follow the combined statements, providing information from fiscal year 2018-19 forward. The Financial Section provides the reader with specific information about each of the five funds named above.

The Student Nutrition and Grant Funds, both considered Special Revenue Funds, are governmental funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. These funds utilize the modified accrual basis of accounting.

Budgets are prepared on the same basis of accounting as that used in the financial statements. The basis of budgeting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Governmental fund types (general fund, debt service fund, and special revenue funds), are budgeted using the current financial resources measurement focus and the modified accrual basis of accounting. Proprietary funds, internal service funds, fiduciary funds, and agency funds are not budgeted funds.

Federal, state, and local guidelines define the budget development process. The Board of Trustees adopted budgets in the General, Student Nutrition, and Debt Service funds. These adopted funds combined with Special Revenue Funds and State and Local Funds have total combined revenues of \$93,185,963 and total combined expenditures of \$93,290,526.



Accountability

Government financial statements focus on two different forms of accountability: Fiscal accountability for governmental activities, and operational accountability for business-type and certain fiduciary activities.

Fiscal Accountability has been defined as the responsibility of governments to ensure that their current period actions have complied with public decisions concerning the raising and spending of public monies in the short term.



Operational Accountability represents the responsibility of governments to report the extent to which services are being provided efficiently and effectively using all resources available for that purpose, and whether they can continue to meet objectives in the foreseeable future.

Budgets in the public arena are often considered the ultimate policy document since they are the financial plan a school district uses to achieve its guiding statements. The budget, itself, then becomes intrinsically a political document reflecting school district administrators' accountability for fiduciary responsibility to citizens and provides a vehicle for translating educational goals and programs into financial resource plans.

The Financial Section provides specific fiscal information regarding the various funds of the District. By law, the Board of Trustees must approve annual budgets for the General Fund, Debt Service Fund, and Student Nutrition Fund. These three funds are included in this section. Capital Projects Fund and the Special Revenue Funds (including the Student Nutrition Fund) are also included as information only.

Budgets in the public arena are often considered the ultimate policy document since they are the financial plan a school district uses to achieve its goals. The budget, itself, then becomes the school districts administrators' accountability for fiduciary responsibility to citizens and provides a resource for connecting educational goals into financial plans.

The financial section provides specific fiscal information regarding the various funds of the District. By law, the Board of Trustees must approve annual budgets for the General Fund, Debt Services Fund, and the Student Nutrition Fund. The Federal Revenue Funds and State and Local Funds are also included in this section for information purposes only.

Major Revenue Sources

Local Property Taxes

A major source of local funding for the district is local property tax revenues. Property taxes are levied by Oct. 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before Feb. 1 of the year following the year in which imposed. On Jan. 1 of each year, a tax lien attaches to the property to secure the payment of all taxes, penalties, and interest ultimately imposed. The tax levy for the 2022 fiscal year was based on the assessed value, as of Jan. 1, 2022, of \$2,739,071,089.

The tax rate assessed for the year ended June 30, 2023, to finance maintenance and operations and general obligation long term debt were \$.9374 and \$.4800 per \$100 of valuation, respectively, for a total of \$1.4074 per \$100 of valuation.

Other Local Sources

Other local sources include tuition from summer school and summer athletic camp programs, interest earnings; rent from district facilities usage; cell phone tower lease; insurance recovery; revenue from student parking fees, and web advertisement; athletic gate and concession receipts; and lunch sales. Activity Fund resources are generated from co-curricular activities on District campuses and are used solely for the benefit of students. Gifts and donations recorded in the General Fund come primarily from the business community. The White Settlement Education Foundation, recorded in State and Local Funds, provides donations each fall and spring semester to campuses based on grant applications. Revenue from Oil and Gas royalties are recorded as local revenue.

State Sources

The primary source of state funding for school districts is the Foundation School Program (FSP). This program ensures that all school districts, regardless of property wealth, receive “substantially equal access to similar revenue per student at similar tax effort. The program is administered by the Texas Education Agency (TEA).

State Revenue formulas are set by the Texas Legislatures. Typically, the State Legislature will make adjustments to the formula every two to four years. The 2019 Legislative session made many changes to the formulas.

The FSP allotment is made up of several allotments, including those for regular education, special education (SPED), dyslexia, compensatory education, bilingual education, career and technical education (CTE), public education grants, early education, college, career, or military readiness, fast growth, small and mid-sized districts, teacher incentives, transportation, and new instructional facilities.

During the budget process the district is required to make several estimates including the average daily attendance (ADA), full-time equivalents (FTE), and the taxable values to project the state revenue for the fiscal year.

General Fund Federal Sources

The district recognizes as revenue the amounts contributed by the State of Texas to the Teacher Retirement System (TRS) on behalf of the District’s employees. This amount is also recognized as expenditure. The state contributes 8.25 percent of all employees’ eligible gross earnings except for those District employees subject to statutory minimum requirements and those employees being paid from and participating in federally funded programs. The statutory minimum requirements (locally funded portion) are based on the State teacher minimum pay schedule and then adjusted based on local tax rates. The “On-Behalf” revenues equal state payments of

matching teacher retirement paid for active members of the school district in accordance with GASB Statement No. 24.

The state funding formula provides for two types of debt service support—the instructional Facility Allotment (IFA) and the Existing Debt Allotment (EDA). The IFA guarantees each school district a specified amount per student (the IFA Guaranteed Yield) in state and local funds for each cent of tax effort, to pay principal and interest on eligible bonds issued to construct, acquire, renovate, or improve instructional facilities only. The EDA is provided for certain existing debt issued by school districts to produce a guaranteed yield (the EDA Yield), which for 2020-21 is \$38.58 in state and local revenue per ADA (Average Daily Attendance) for each cent of debt service tax levy.

Federal Funds

- Federal revenues include the Title I Part A-Improving Basic Program Grant, serving economically disadvantaged campuses.
- Title II Part A-Improving Teacher Quality
- Title III-A, serving students with limited English proficiency
- Title VI provides additional educational opportunities to supplement programs to support the goal of preparing every child for success in college, a career, or the military.
- Vocational Ed
- IDEA-B, serving students with disabilities

Revenue from the School Health and Related Services Program (SHARS) is comprised of reimbursements to the District for school-based health services, which are provided to special education students enrolled in the Medicaid Program. SHARS represents 95 percent of federal revenue sources in the General Fund.

The National School Lunch Program (NSLP), part of the U.S. Department of Agriculture (USDA), is a federally assisted meal program operating in public and nonprofit private schools, and residential childcare institutions. It provides nutritionally balanced, low-cost, or free lunches to children each school day. The program was established under the National School Lunch Act. Approximately 84% of the Student Nutrition Fund's revenues are provided by the NSLP.

State and Local Funds

State revenues included in the fund numbers 410 through 429 include Advanced Placement Revenue and Instructional Materials Allotment. The Local funds included in fund numbers 412 through 486 include Public School Child Care Services, Activity Funds (primarily from student groups) and Foundation Gap Awards (grants awarded from the White Settlement Independent School District Education Foundation).



Summary of All Funds

Below is a summary of all funds that are included in the budget each year. The General Fund, Debt Service Fund and Student Nutrition Fund are the only three funds that require board adoption (Operating Funds). The Federal Funds and the Other State Funds are included in this document for informational purposes. In 2019-20 the district changed fiscal years which caused a one-time significant increase to fund balance.

The major changes in the amended budget for 2021-22 and the adopted budget for 2022-23 are:

- The total revenue increase due to increased property tax values and student enrollment growth projections.
- The payroll costs increased due to a 8 percent salary increase given in 2022-2023.
- The other contract services increased due to increases given to the transportation and custodial contracts.
- Supplies and materials and capital outlay change is mostly due to changing of category for software from capital outlay to supplies.

The District's Fund Balance has increased over the last several years. The District has been preparing for a bond project for three years. In anticipation of this huge project, the Board of Trustees has reserved 3.5 million of the General Fund balance for future construction projects.

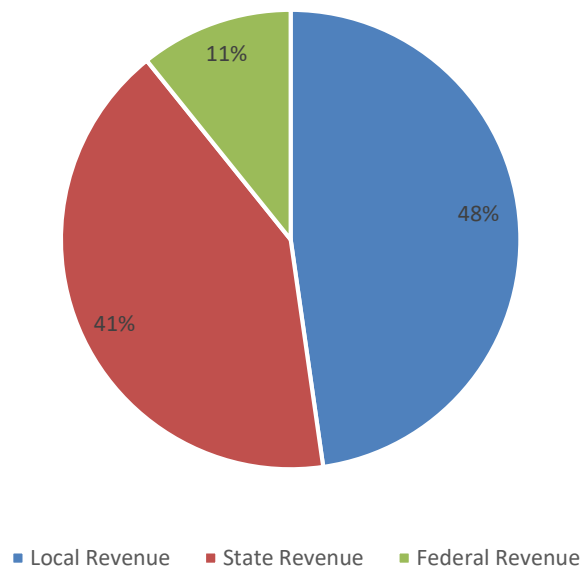
White Settlement Independent School District Summary of Adopted Budgets – All Funds For Year Ending June 30, 2023

	General Fund	Debt Service Fund	Student Nutrition Fund	Federal Funds Non-Major	Other State & Local Funds	Total
Total Revenues and Other Sources	\$ 66,629,006	\$ 14,455,688	\$ 3,755,920	\$ 7,096,968	\$ 1,248,381	\$ 93,185,963
Total Expenditures	\$ 66,629,006	\$ 14,455,688	\$ 3,860,483	\$ 7,096,968	\$ 1,248,381	\$ 93,290,526
Net change in fund balances	\$ -	\$ -	\$ (104,563)	\$ -	\$ -	\$ (104,563)
Beginning Fund Balance	\$ 22,791,650	\$ 16,912,344	\$ 985,269	\$ -	\$ 756,600	\$ 41,445,863
Ending Fund Balance	\$ 22,791,650	\$ 16,912,344	\$ 880,706	\$ -	\$ 756,600	\$ 41,341,300

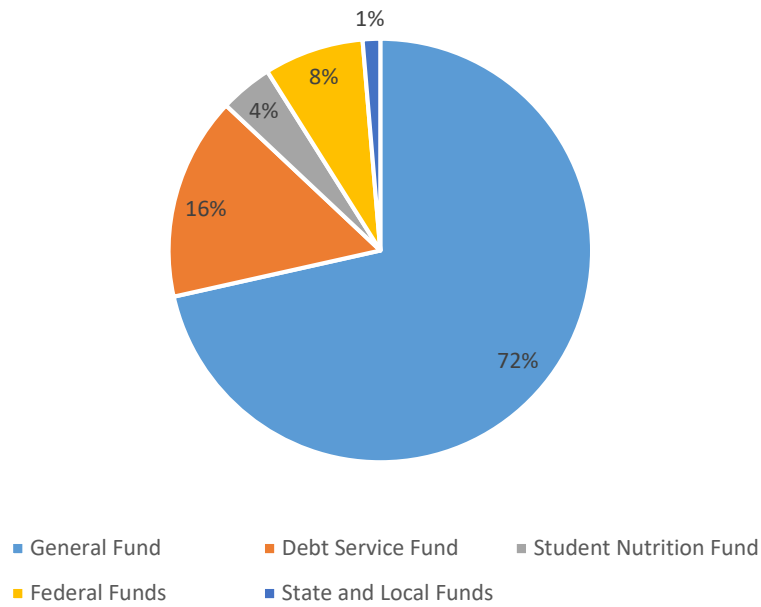
White Settlement Independent School District
Statement of Revenues, Expenditures & Changes in Fund Balance
Adopted Budgets - All Funds by Object
For the Year Ending June 30, 2023

	General Fund	Debt Service Fund	Student Nutrition Fund	Federal Funds Non-Major	Other State & Local Funds	Total
Revenues						
Local and intermediate sources	\$ 27,889,943	\$ 14,455,688	\$ 1,271,500	\$ -	\$ 865,000	\$ 44,482,131
State program revenues	38,231,563	-	45,000	-	383,381	\$ 38,659,944
Federal program revenues	507,500	-	2,439,420	7,096,968	-	\$ 10,043,888
Total Revenues	\$ 66,629,006	\$ 14,455,688	\$ 3,755,920	\$ 7,096,968	\$ 1,248,381	\$ 93,185,963
Expenditures						
Payroll Costs	\$ 54,492,375	\$ -	\$ 1,711,208	\$ 6,033,797	\$ -	\$ 62,237,380
Contracted Services	7,331,978	-	244,325	511,605	150,000	\$ 8,237,908
Supplies and Materials	2,622,336	-	1,863,150	137,693	898,381	\$ 5,521,560
Miscellaneous	1,373,317	-	16,800	78,748	200,000	\$ 1,668,865
Debt Service	740,000	14,455,688	-	-	-	\$ 15,195,688
Capital Outlay	69,000	-	25,000	335,125	-	\$ 429,125
Total Expenditures	\$ 66,629,006	\$ 14,455,688	\$ 3,860,483	\$ 7,096,968	\$ 1,248,381	\$ 93,290,526
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ (104,563)	\$ -	\$ -	\$ (104,563)
Fund Balance - Beginning	\$ 22,791,650	\$ 16,912,344	\$ 985,269	\$ -	\$ 756,600	\$ 41,445,863
Fund Balance - Ending	\$ 22,791,650	\$ 16,912,344	\$ 880,706	\$ -	\$ 756,600	\$ 41,341,300

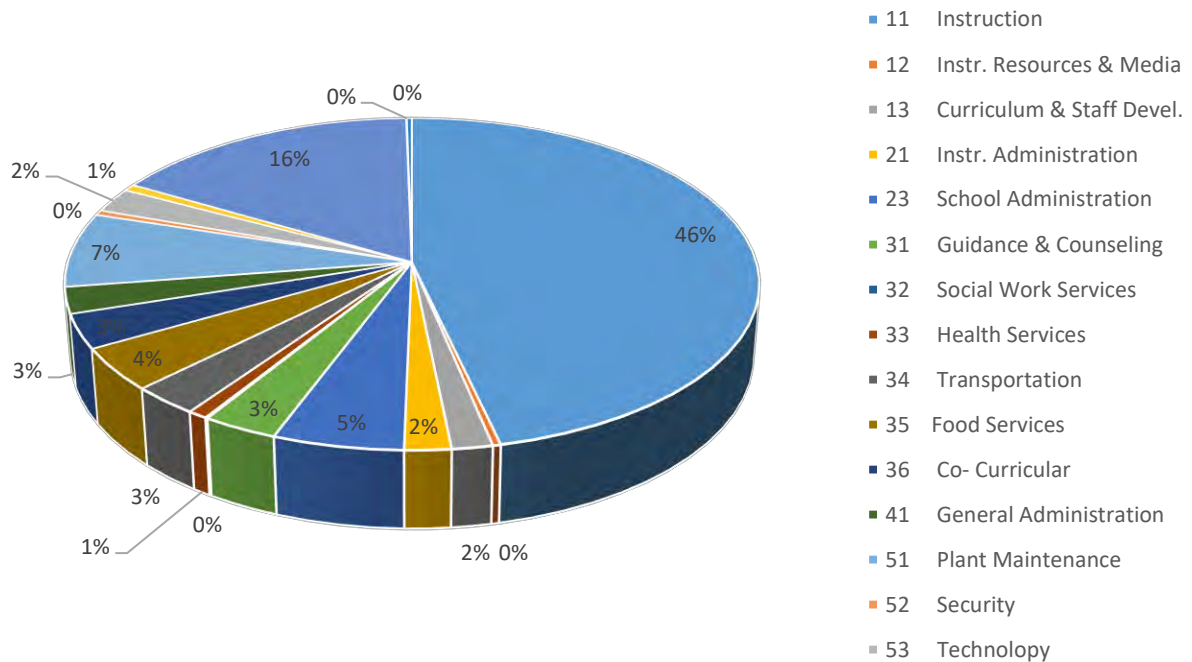
Budgeted Revenue by Source - All Funds 2022-23



Revenue by Fund - 2022-23



All Funds Budgeted Expenditures by Function



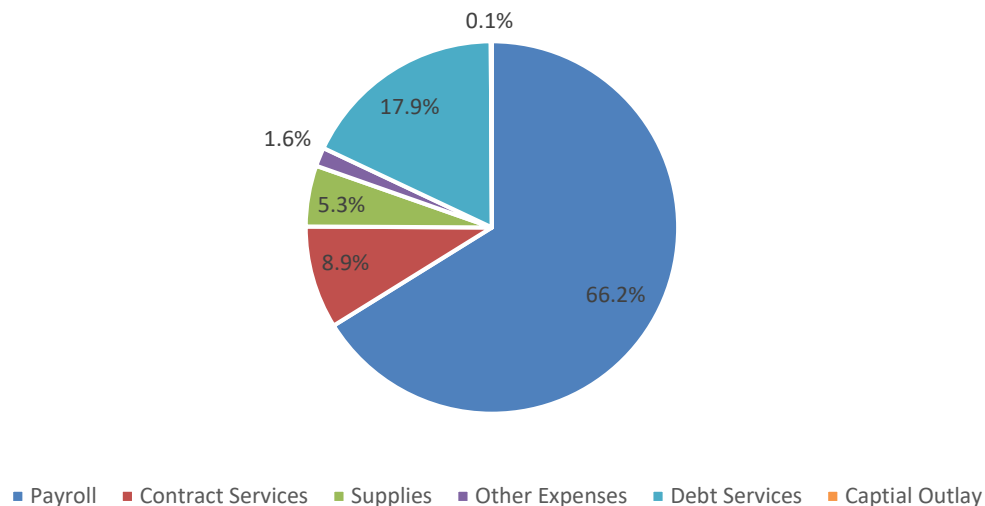
White Settlement Independent School District
Statement of Revenues, Expenditures & Changes in Fund Balance
Adopted Budgets – All Funds by Function
For the Year Ending June 30, 2023

	General Fund	Debt Service Fund	Student Nutrition Fund	Federal Funds	State & Local Funds	Total
Revenues						
Local and intermediate sources	\$ 27,889,943	\$ 14,063,171	\$ 1,271,500	\$ -	\$ 865,000	\$ 44,089,614
State program revenues	38,231,563	392,517	45,000	-	383,381	\$ 39,052,461
Federal program revenues	507,500	-	2,439,420	7,096,968	-	\$ 10,043,888
Total Revenues	\$ 66,629,006	\$ 14,455,688	\$ 3,755,920	\$ 7,096,968	\$ 1,248,381	\$ 93,185,963
Expenditures						
Instruction	\$ 38,853,997	\$ -	\$ -	\$ 3,918,816	\$ 498,381	\$ 43,271,194
Instruction resources and media services	305,961	-	-	-	-	\$ 305,961
Curriculum and staff development	650,497	-	-	917,990	-	\$ 1,568,487
Instructional leadership	1,688,057	-	-	102,420	-	\$ 1,790,477
School leadership	4,742,006	-	-	299,912	-	\$ 5,041,918
Guidance, counseling and evaluation services	1,702,970	-	-	1,210,557	-	\$ 2,913,527
Social work services	91,254	-	-	-	-	\$ 91,254
Health services	732,420	-	-	31,268	-	\$ 763,688
Student transportation	2,152,761	-	-	485,125	-	\$ 2,637,886
Food services	-	-	3,860,483	-	-	\$ 3,860,483
Extracurricular activities	2,411,846	-	-	-	700,000	\$ 3,111,846
General administration	2,310,035	-	-	77,380	-	\$ 2,387,415
Facilities maintenance and operations	6,765,590	-	-	-	-	\$ 6,765,590
Security and monitoring services	455,753	-	-	-	-	\$ 455,753
Data processing services	2,235,723	-	-	-	-	\$ 2,235,723
Community services	570,136	-	-	-	50,000	\$ 620,136
Debt service:	-	-	-	-	-	\$ -
Principal on long-term debt	643,151	3,229,398	-	-	-	\$ 3,872,549
Interest on long-term debt	96,849	11,216,290	-	-	-	\$ 11,313,139
Bond issuance costs and fees	-	10,000	-	-	-	\$ 10,000
Intergovernmental:	-	-	-	-	-	\$ -
Payments to Juvenile Justice Alt. Ed. Prgm.	25,000	-	-	-	-	\$ 25,000
Payments to Shared Service Arrangements	-	-	-	-	-	\$ -
Other intergovernmental charges	195,000	-	-	53,500	-	\$ 248,500
Total Expenditures	\$ 66,629,006	\$ 14,455,688	\$ 3,860,483	\$ 7,096,968	\$ 1,248,381	\$ 93,290,526
Excess (deficiency) of revenues over expenditures			(104,563)			(104,563)
Fund Balance - Beginning	\$ 22,791,650	\$ 16,912,344	\$ 985,269	\$ -	\$ 756,600	\$ 41,445,863
Fund Balance -Ending	\$ 22,791,650	\$ 16,912,344	\$ 985,269	\$ -	\$ 756,600	\$ 41,341,300

White Settlement Independent School District
Comparative Summary of Revenues, Expenditures, & Changes in Fund Balance
All Funds by Object

	2018-2019 Audited Actual	2019-20 Audited Actual (10 months)	2020-21 Audited Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Local and Intermediate Sources	\$ 34,681,145	\$ 36,512,489	\$ 37,174,305	\$ 42,915,318	\$ 44,089,614	\$ 1,174,296
State Program Revenues	37,042,105	34,744,795	34,754,184	35,851,297	39,052,461	3,201,164
Federal Program Revenues	6,689,241	5,937,968	10,940,953	15,247,169	10,043,888	(5,203,281)
Total Revenues	\$ 78,412,491	\$ 77,195,252	\$ 82,869,442	\$ 94,013,784	\$ 93,185,963	\$ (827,821)
Expenditures						
Payroll Costs	\$ 46,880,510	\$ 47,067,753	\$ 52,817,397	\$ 59,311,214	\$ 62,237,380	\$ 2,926,166
Contracted Services	7,551,242	6,343,744	7,213,659	7,856,654	8,237,908	381,254
Supplies and Materials	5,761,475	6,770,775	5,752,457	8,128,742	5,521,560	(2,607,182)
Miscellaneous	1,501,546	1,201,938	1,134,450	1,698,562	1,668,865	(29,697)
Debt Service	11,172,734	3,440,497	10,429,824	15,068,028	15,195,688	127,660
Capital outlay	2,509,834	2,172,718	1,905,195	2,106,449	429,125	(1,677,324)
Total Expenditures	\$ 75,377,341	\$ 66,997,425	\$ 79,252,982	\$ 94,169,649	\$ 93,290,526	(879,123)
Net Income (Loss)	\$ 3,035,150	\$ 10,197,827	\$ 3,616,460	\$ (155,865)	\$ (104,563)	51,302
Other Sources (Uses)						
Other Sources	\$ 758,034	\$ -	\$ 169,815,007	\$ 5,488,854	\$ -	\$ (5,488,854)
Other Uses	-	-	(168,434,011)	(5,358,284)	-	5,358,284
Net Sources (Uses)	\$ 758,034	\$ -	\$ 1,380,996	\$ 130,570	\$ -	\$ (130,570)
Net change in fund balances	3,793,184	10,197,827	4,997,456	(25,295)	(104,563)	(79,268)
Fund Balance - (Beginning)	\$ 22,482,691	\$ 26,275,875	\$ 36,473,702	\$ 41,471,158	\$ 41,445,863	
Fund Balance - June 30 (Ending)	\$ 26,275,875	\$ 36,473,702	\$ 41,471,158	\$ 41,445,863	\$ 41,341,300	

Budgeted Expenditures by Object- 2022-23



**White Settlement Independent School District
Financial Forecast All Funds**

	2022-23	2023-24	2024-25	2025-26
<u>Projected Revenues</u>				
Local and Intermediate Sources	\$ 44,089,614	\$ 47,476,795	\$ 48,901,098	\$ 51,568,131
State Program Revenues	39,052,461	41,337,003	41,483,113	44,827,606
Federal Program Revenues	10,043,888	7,229,380	7,456,037	7,679,718
Other Sources			-	-
Total Revenues	\$ 93,185,963	\$ 96,043,178	\$ 97,840,248	\$ 104,075,455
<u>Projected Expenditures</u>				
Payroll Costs	\$ 62,237,380	\$ 61,699,349	\$ 63,665,916	\$ 65,575,893
Contracted Services	8,237,908	10,264,080	9,392,567	9,674,344
Supplies and Materials	5,521,560	4,902,274	5,076,115	5,177,637
Other Costs	1,668,865	1,524,054	1,583,273	1,614,938
Debt Service	15,195,688	15,677,225	15,962,482	11,127,343
Capital outlay	429,125	1,097,312	2,140,204	2,204,410
Other Uses				
Total Expenditures	\$ 93,290,526	\$ 95,164,294	\$ 97,820,557	\$ 95,374,566
Net change in fund balances	(104,563)	878,884	19,691	8,700,889
Fund Balance - July 1 (Beginning)	\$ 41,445,863	\$ 41,341,300	\$ 42,220,184	\$ 42,239,875
Fund Balance - June 30 (Ending)	\$ 41,341,300	\$ 42,220,184	\$ 42,239,875	\$ 50,940,764

Assumptions:

- (1) For Local Revenue a 3% - 5% per year increase was projected due to expected growth.
- (2) A 3% student growth each year was used to project state revenue.
- (3) Federal funds are approximately \$3 million more in 2022-23 due to left over COVID-19 pandemic allocations.
- (4) Salary increases typically range from 1% - 4%. A 3% increase per year was used.
- (5) Non payroll expenses will increase to accommodate growth. An increase of 2%-4% was used.
- (6) Debt Service is based on current bond and maintenance tax note schedules.

General Fund

The general fund is a governmental fund with budgetary control used to record operating transactions of on-going organizations and activities from a variety of revenue sources. The fund includes transactions from local maintenance taxes; foundation entitlements; interest income; and other miscellaneous local state and federal revenues. Change in local revenue from prior year is a reflection of increased property values and enrollment growth. State revenue drops when



local revenue increases and is reflected below when comparing to previous year. In 2019-20 the district changed fiscal years which caused a one-time significant increase to fund balance.

The approved budget reflects is a balanced budget (revenues equal expenditures) so no change in Fund Balance is expected. Conservative student enrollment projects will protect the fund balance and temporary declines in fund balance. Fund balance surplus will be used in future years to help fund the additional technology, building renovations or expansions, and other needs of the district.

The 2022-23 General Fund adopted budget is a balanced budget, as a result expected revenues equal expected expenditures. Included in this budget is an 8 percent employee pay raise at a cost of approximately \$4.4 million. Staffing positions were adjusted to reflect changes in enrollment and student needs.

Property values for the 2022-23 fiscal year increased by nearly 10 percent over the 2021-22 fiscal year. The 2021-22 total district tax rate per \$100 of property value was decreased from \$1.4603 to \$1.4174 with a Maintenance and Operations (M&O) rate of \$0.9374 and an Interest and Sinking (I&S) rate of \$0.48. White Settlement ISD's projected a 2% increase in student enrollment for 2022-23 over the prior year.



General Fund Revenues

The adopted budget reflects the allocation of revenues and appropriations to support educational programs and services defined by the district's mission, vision, values, and guiding statements. Projected revenues and other financing sources for the 2022-23 General Fund are estimated at \$66,629,006, a 2.0 percent increase over the amended revenues for 2021-22. This increase is mainly due to higher projections of student enrollment. WSISD developed the budget using conservative student enrollment and attendance rate data.

State Revenue is the primary source of revenue for the District followed by the property taxes and local sources. State Revenue as a percentage of total revenues decreased 4 percent, and state aid as a percentage of total revenues increased 8 percent as these two revenues have inverse relationships in the state funding formulas. The local revenue increase is substantially due to increase in property values. The property values and student growth are expected to continue to increase in the next three years as described in the General Fund forecast.

Payroll costs are the largest cost in the General Fund Budget. The second largest cost is contract services which includes the contract service agreements for the custodial and transportation departments. Beginning in fiscal year 2023-24, \$1 million was added to the capital outlay budget to supplement the Capital Projects fund with facility updates.



White Settlement Independent School District
Comparative Summary of Revenue
General Fund by Object

	2018-19 Audited Actual	2019-20 Audited Actual (10 months)	2020-21 Audited Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Local Revenue Sources						
Current Year Tax Levy	\$ 20,838,295	\$ 22,231,254	\$ 23,198,918	\$ 25,513,072	\$ 26,939,470	\$ 1,426,398
Prior Year Tax Levy	(79,904)	151,581	263,150	\$ 100,000	\$ 100,000	-
Penalties & Interest	146,370	337,127	261,855	\$ 100,000	\$ 100,000	-
Summer School	9,340	50	-	\$ -	\$ -	-
First Class Learning Center	459,646	438,176	467,938	\$ 450,000	\$ 509,473	59,473
Interest Income	463,641	235,050	22,893	\$ 25,000	\$ 25,000	-
Rent	25,899	10,615	4,090	\$ 10,000	\$ 10,000	-
Cell Phone Tower & Lease	258,377	22,230	29,640	\$ 20,000	\$ 20,000	-
Grants	-	10,000	-	\$ -	\$ -	-
Insurance Recovery	41,929	37,000	-	\$ -	\$ -	-
Misc- Local Sources	135,001	150,377	235,661	\$ 48,500	\$ 59,500	11,000
Athletic Activities	152,232	121,391	167,597	\$ 126,500	\$ 126,500	-
Total Local Revenues	\$ 22,450,826	\$ 23,744,851	\$ 24,651,742	\$ 26,393,072	\$ 27,889,943	\$ 1,496,871
State Revenue Sources						
Per Capita	\$ 3,476,572	\$ 2,114,650	\$ 3,128,617	\$ 1,309,848	\$ 2,086,632	\$ 776,784
Foundation School Program	27,695,325	28,036,902	27,879,997	\$ 33,839,599	\$ 33,328,031	(511,568)
Other State Programs	80,118	-	-	\$ -	\$ -	-
TRS- On-Behalf	2,472,568	3,268,315	3,050,695	2,816,900	\$ 2,816,900	-
Total State Revenue	\$ 33,724,584	\$ 33,419,867	\$ 34,059,309	\$ 37,966,347	\$ 38,231,563	\$ 265,216
Federal Revenue Sources						
SHARS	\$ 1,058,593	\$ 560,308	\$ 594,943	\$ 769,726	\$ 500,000	\$ (269,726)
MAC-Medicaid Admin Claiming	25,323	22,966	19,745	\$ 7,500	\$ 7,500	-
Federal Revenue Distr. Distributed by TEA	-	-	172,314	\$ 14,549	\$ -	(14,549)
Total Federal Revenue	\$ 1,083,916	\$ 583,274	\$ 787,002	\$ 791,775	\$ 507,500	\$ (284,275)
Other Sources						
Loan Proceeds	758,034	-	-	-	-	-
Total Other Revenue	\$ 758,034	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 58,017,360	\$ 57,747,992	\$ 59,498,053	\$ 65,151,194	\$ 66,629,006	\$ 1,477,812

White Settlement Independent School District
Comparative Summary of Revenues, Expenditures & Changes in Fund Balance
General Fund by Object

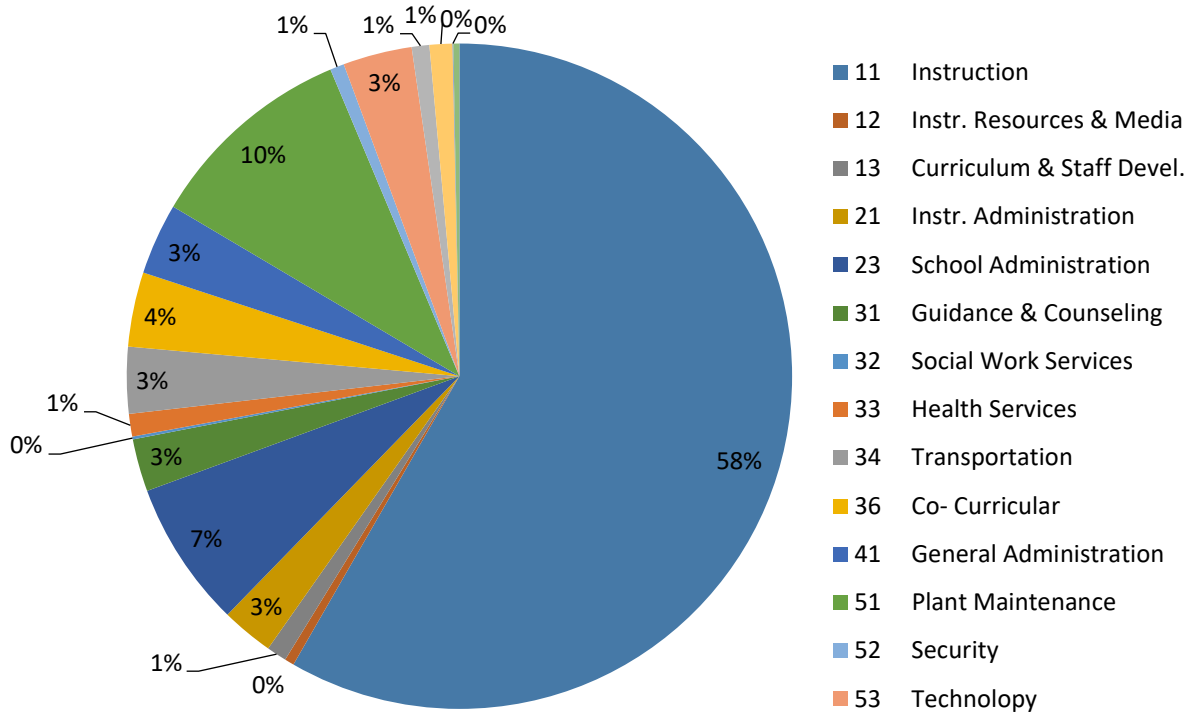
	2018-2019 Audited Actual	2019-20 Audited Actual (10 months)	2020-21 Audited Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Local and Intermediate Sources	\$ 22,450,826	\$ 23,744,851	\$ 24,651,742	\$ 29,106,679	\$ 27,889,943	\$ (1,216,736)
State Program Revenues	33,724,584	33,419,867	34,059,309	35,252,740	38,231,563	2,978,823
Federal Program Revenues	1,083,916	583,274	787,002	791,775	507,500	(284,275)
Total Revenues	\$ 57,259,326	\$ 57,747,992	\$ 59,498,053	\$ 65,151,194	\$ 66,629,006	\$ 1,477,812
Expenditures						
Payroll Costs	\$ 42,550,169	\$ 43,129,356	\$ 47,481,811	\$ 50,814,839	\$ 54,492,375	\$ 3,677,536
Contracted Services	6,240,372	5,661,318	4,933,398	6,988,273	7,331,978	343,705
Supplies and Materials	3,112,267	3,463,225	2,218,962	1,853,667	2,622,336	768,669
Miscellaneous	1,159,678	983,937	874,494	1,441,284	1,373,317	(67,967)
Debt Service	626,763	367,697	739,917	745,000	740,000	(5,000)
Capital outlay	2,244,321	1,971,381	1,760,669	1,880,689	69,000	(1,811,689)
Total Expenditures	\$ 55,933,570	\$ 55,576,914	\$ 58,009,251	\$ 63,723,752	\$ 66,629,006	2,905,254
Other Sources (Uses)						
Other Sources	\$ 758,034	\$ -	\$ -	\$ -	\$ -	\$ -
Other Uses	-	-	-	-	-	-
Net Sources (Uses)	\$ 758,034	\$ -	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	2,083,790	2,171,078	1,488,802	1,427,442		
Fund Balance - (Beginning)	\$ 15,620,538	\$ 17,704,328	\$ 19,875,406	\$ 21,364,208	\$ 22,791,650	
Fund Balance - June 30 (Ending)	\$ 17,704,328	\$ 19,875,406	\$ 21,364,208	\$ 22,791,650	\$ 22,791,650	



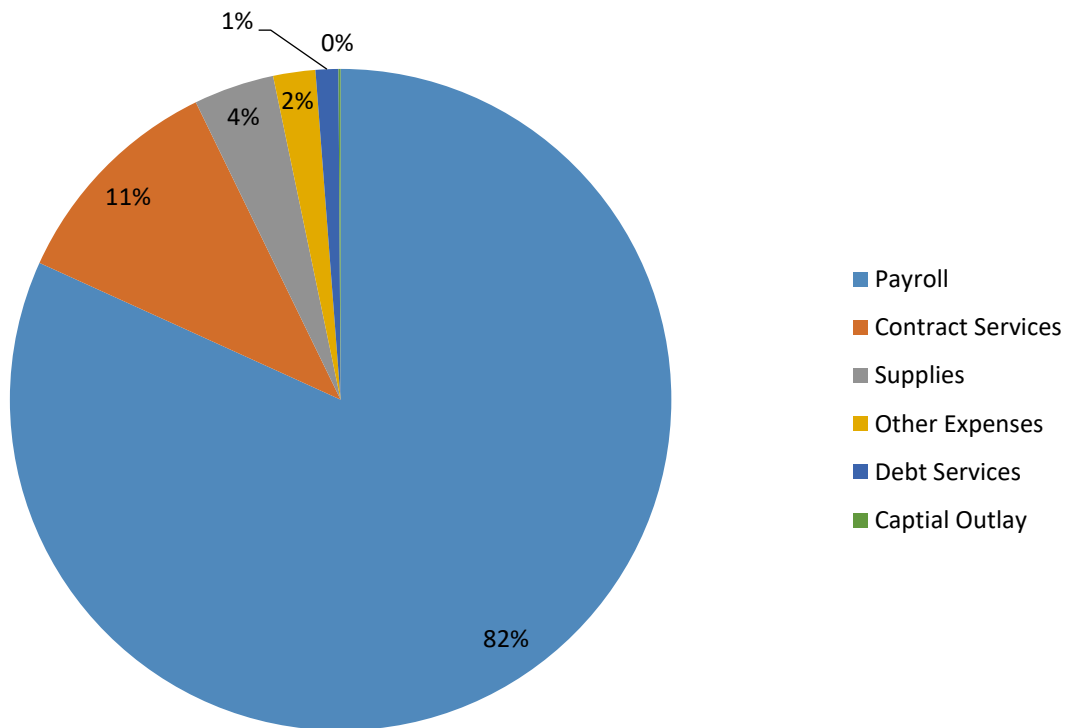
White Settlement Independent School District
Comparative Summary of Revenues, Expenditures & Changes in Fund Balance
General Fund by Function

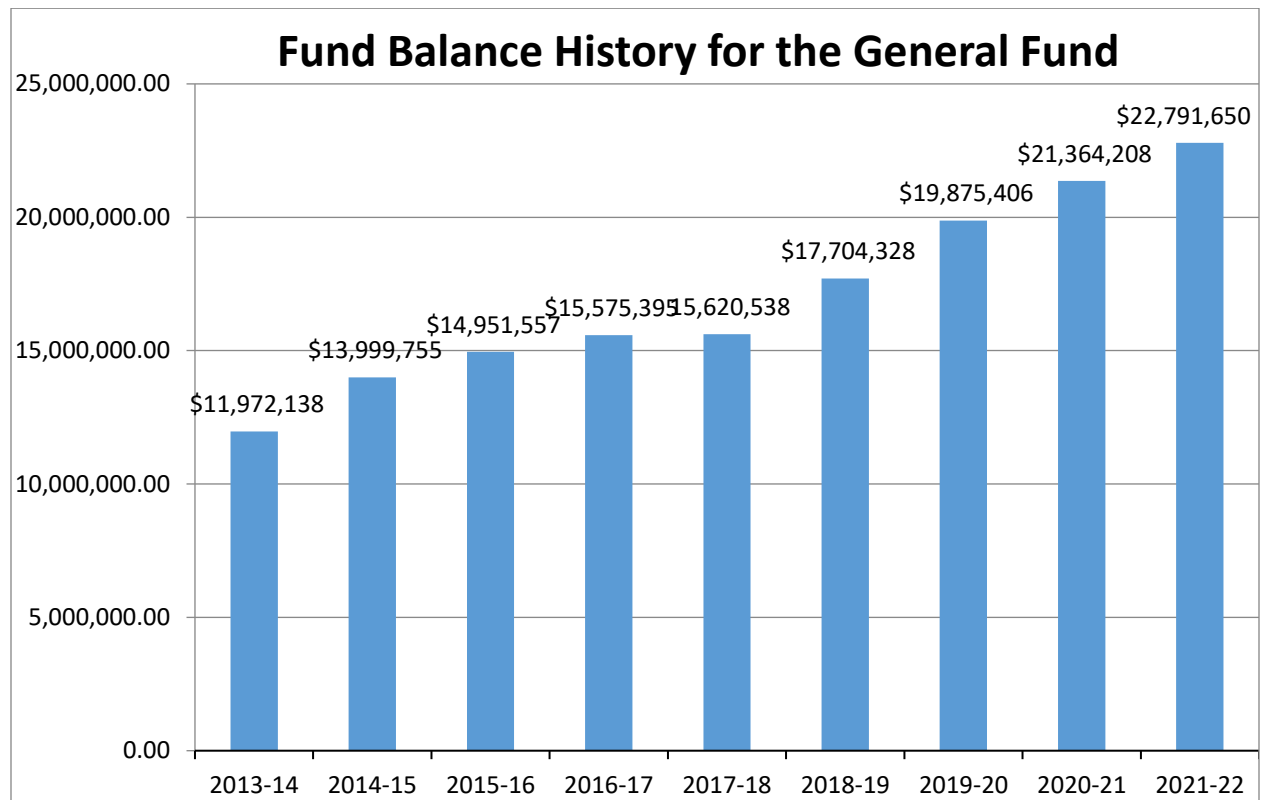
	2018-19 Audited Actual	2019-20 Audited Actual (10 months)	2020-21 Audited Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Local and Intermediate Sources	\$ 22,450,826	\$ 23,744,851	\$ 24,651,742	\$ 29,106,679	\$ 27,889,943	\$ (1,216,736)
State Program Revenues	33,724,584	33,419,867	34,059,309	35,252,740	38,231,563	\$ 2,978,823
Federal Program Revenues	1,083,916	583,274	787,002	791,775	507,500	\$ (284,275)
Total Revenues	\$ 57,259,326	\$ 57,747,992	\$ 59,498,053	\$ 65,151,194	\$ 66,629,006	\$ 1,477,812
Expenditures						
Instruction	\$ 31,697,918	\$ 32,720,453	\$ 35,159,789	\$ 36,092,082	\$ 38,853,997	\$ 2,761,915
Instruction resources and media services	239,244	241,958	267,414	303,139	305,961	\$ 2,822
Curriculum and staff development	565,552	457,083	477,070	604,123	650,497	\$ 46,374
Instructional leadership	1,113,981	1,194,789	1,410,435	1,728,123	1,688,057	\$ (40,066)
School leadership	3,968,888	3,763,256	4,183,585	4,235,163	4,742,006	\$ 506,843
Guidance, counseling and evaluation services	1,337,985	1,429,437	1,711,391	1,643,017	1,702,970	\$ 59,953
Social work services	143,628	69,901	81,362	87,979	91,254	\$ 3,275
Health services	577,443	591,038	664,658	694,698	732,420	\$ 37,722
Student transportation	1,548,036	1,494,930	1,727,397	2,091,473	2,152,761	\$ 61,288
Extracurricular activities	2,012,109	2,133,344	2,196,817	2,379,191	2,411,846	\$ 32,655
General administration	2,070,101	1,688,266	2,080,088	2,386,957	2,310,035	\$ (76,922)
Facilities maintenance and operations	7,220,290	6,571,032	3,682,124	7,187,467	6,765,590	\$ (421,877)
Security and monitoring services	301,240	386,278	454,027	420,977	455,753	\$ 34,776
Data processing services	1,818,254	1,812,399	2,336,717	2,378,821	2,235,723	\$ (143,098)
Community services	463,186	489,505	526,926	545,342	570,136	\$ 24,794
Debt service:	-	-	-	-	-	\$ -
Principal on long-term debt	511,000	305,000	625,783	643,151	643,151	\$ -
Interest on long-term debt	115,763	62,697	114,134	101,849	96,849	\$ (5,000)
Capital outlay:	-	-	-	-	-	\$ -
Facilities acquisition and construction	65,908	-	151,000	-	-	\$ -
Payments related to shared services arrangements	7,095	-	-	-	-	\$ -
Payments to Juvenile Justice Alt. Ed. Prgm.	-	-	-	25,000	25,000	\$ -
Other intergovernmental charges	155,949	165,548	158,534	175,200	195,000	\$ 19,800
Total Expenditures	\$ 55,933,570	\$ 55,576,914	\$ 58,009,251	\$ 63,723,752	\$ 66,629,006	\$ 2,905,254
Other Sources (Uses)						
Other Sources	758,034	-	-	-	-	-
Net Sources (Uses)	\$ 758,034	\$ -	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	2,083,790	2,171,078	1,488,802	1,427,442		
Fund Balance - (Beginning)	\$ 15,620,538	\$ 17,704,328	\$ 19,875,406	\$ 21,364,208	\$ 22,791,650	
Fund Balance - (Ending)	\$ 17,704,328	\$ 19,875,406	\$ 21,364,208	\$ 22,791,650	\$ 22,791,650	

General Fund Budget by Function



General Fund Budget by Object





White Settlement Independent School District Financial Forecast – General Fund

	2022-23	2023-24	2024-25	2025-26
<u>Projected Revenues</u>				
Local and intermediate sources	\$ 27,889,943	\$ 30,484,440	\$ 31,398,973	\$ 32,340,943
State program revenues	38,231,563	39,378,510	40,559,865	41,776,661
Federal program revenues	507,500	522,725	538,407	554,559
Total Revenues	\$ 66,629,006	\$ 70,385,675	\$ 72,497,245	\$ 74,672,163
<u>Projected Expenditures</u>				
Payroll Costs	\$ 54,492,375	\$ 56,127,146	\$ 57,810,961	\$ 59,545,289
Contracted Services	7,331,978	7,625,257	7,930,267	8,247,478
Supplies and Materials	2,622,336	2,727,229	2,836,319	2,949,771
Other Costs	1,373,317	1,428,250	1,485,380	1,544,795
Debt Service	740,000	623,510	604,932	606,352
Capital outlay	69,000	1,072,312	2,115,204	2,199,813
Other Uses				
Total Expenditures	\$ 66,629,006	\$ 69,603,704	\$ 72,783,063	\$ 75,093,498
Net change in fund balances	\$ -	781,971	(285,818)	(421,336)
Fund Balance - July 1 (Beginning)	\$ 22,791,650	\$ 22,791,650	\$ 23,573,621	\$ 23,287,803
Fund Balance - June 30 (Ending)	\$ 22,791,650	\$ 23,573,621	\$ 23,287,803	\$ 22,866,467

Assumptions:

- (1) For Local Revenue a 3% - 5% per year increase was projected due to expected growth.
- (2) A 3% student growth each year was used to project state revenue
- (3) Salary increases typically range from 2% - 4%. A 3% increase per year was used.
- (4) Non payroll expenses will increase to accommodate growth and cost of living increases. An increase of 4% was used.
- (5) One million dollars was added to capital outlay budget for 2023-24 and 2024-25 to help with facility needs related to student growth.
- (6) Debt service budget is actual maintenance tax note payments.



Student Nutrition Fund

The Student Nutrition Fund (National School Lunch Program) is used exclusively for child nutrition purposes, utilizing the modified accrual basis of accounting. A separate bank account is maintained for this budgeted fund, and it is considered a special revenue fund based on the following criteria: 1.) User fees are charged to supplement the National Student Lunch Program (NSLP), and 2.) The General Fund subsidizes the Student Nutrition Program for all expenditures in excess of NSLP, and 3.) The Student Nutrition Program has been totally completely self-supporting for over 30 years.

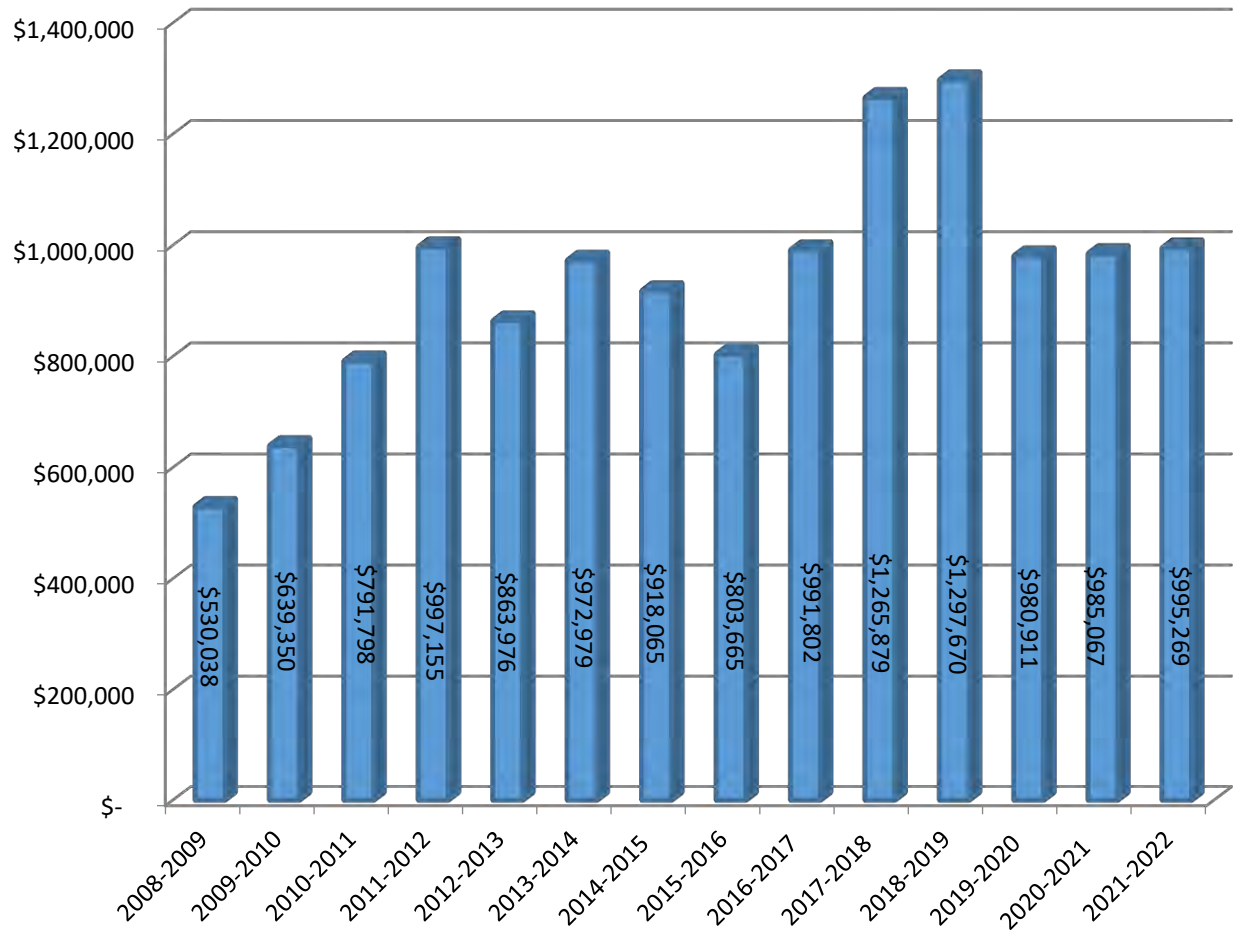
During the 2021-22 fiscal year the District received funding from the federal government for every student that ate breakfast and lunch regardless if they qualified for free and reduced lunches. The federal government did not continue the program for the 2022-23 school year. Therefore, the revenue budget decreased by approximately \$1 million.

As of June 30, 2022, the fund balance is in excess of the 3 months of operating expenses allowed. The District has filed a plan with the Department of Agriculture, detailing its plan to spend down the excess. The plan basically consists of replacing outdated equipment and providing additional pay increases for Student Nutrition staff. The District has been understaffed in this program for several years. The goal is to offer a compensation plan that will entice more interest in working in the program.

White Settlement Independent School District Comparative Summary of Revenues, Expenditures & Changes in Fund Balance Student Nutrition Fund by Object

	2018-19 Audited Actual	2019-20 Audited Actual (10 months)	2020-21 Audited Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Local and intermediate sources	\$ 1,175,061	\$ 852,213	\$ 282,339	\$ 347,400	\$ 1,271,500	\$ 924,100
State program revenues	52,326	67,040	66,783	67,000	45,000	(22,000)
Federal Revenues	2,636,921	2,335,787	2,832,616	4,280,797	2,439,420	(1,841,377)
Total Revenues	\$ 3,864,308	\$ 3,255,040	\$ 3,181,738	\$ 4,695,197	\$ 3,755,920	(939,277)
Expenditures						
Payroll Costs	1,483,655	1,459,552	1,531,620	1,749,067	1,711,208	(37,859)
Contracted Services	215,991	194,995	137,807	311,950	244,325	(67,625)
Supplies and Materials	1,858,467	1,740,302	1,483,287	2,408,478	1,863,150	(545,328)
Other Costs	8,891	5,113	3,224	14,000	16,800	2,800
Capital outlay	265,513	171,837	21,644	211,500	25,000	(186,500)
Total Expenditures	\$ 3,832,517	\$ 3,571,799	\$ 3,177,582	\$ 4,694,995	\$ 3,860,483	\$ (834,512)
Net change in fund balances	31,791	(316,759)	4,156	202	(104,563)	
Fund Balance - (Beginning)	\$ 1,265,879	\$ 1,297,670	\$ 980,911	\$ 985,067	\$ 985,269	
Fund Balance - June 30 (Ending)	\$ 1,297,670	\$ 980,911	\$ 985,067	\$ 985,269	\$ 880,706	

Fund Balance History for the Student Nutrition Fund



White Settlement Independent School District Financial Forecast – Student Nutrition Fund

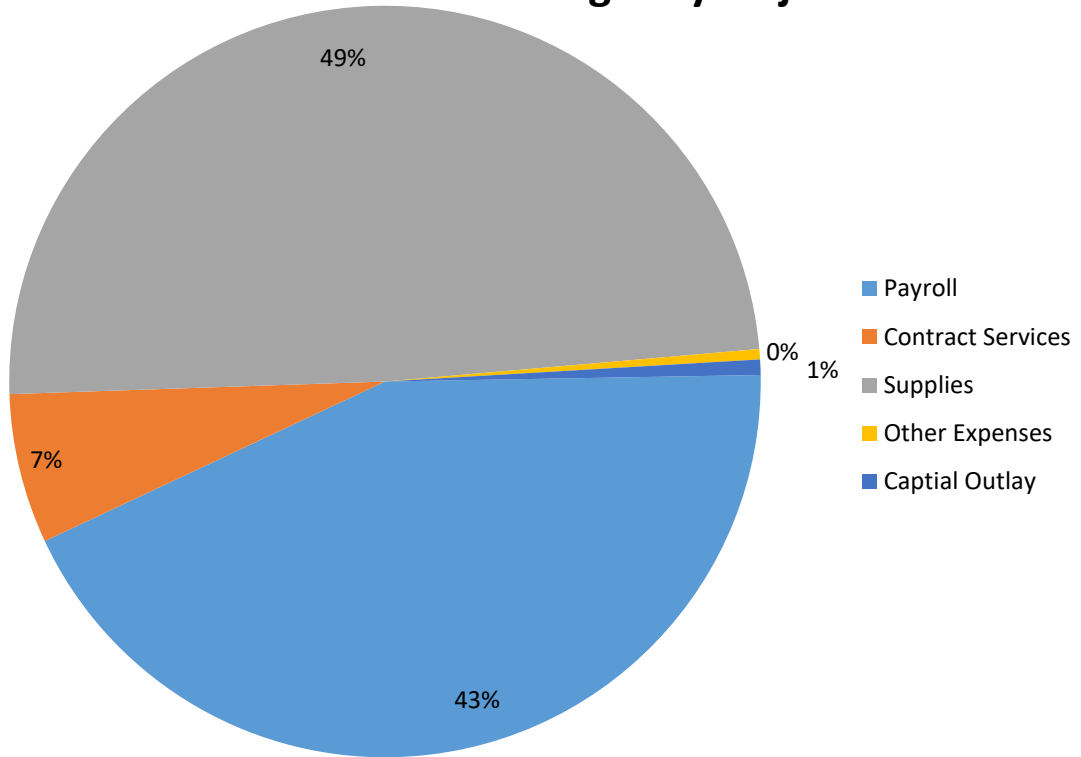
	2022-23	2023-24	2024-25	2025-26
<u>Projected Revenues</u>				
Local and Intermediate Sources	\$ 1,271,500	\$ 1,335,075	\$ 1,375,127	\$ 1,416,381
State Program Revenues	45,000	46,350	47,741	49,173
Federal Program Revenues	2,439,420	\$ 2,561,391	2,689,461	2,823,934
Other Sources	-	-	-	-
Total Revenues	\$ 3,755,920	\$ 3,942,816	\$ 4,112,328	\$ 4,289,487
<u>Projected Expenditures</u>				
Payroll Costs	\$ 1,711,208	\$ 1,762,544	\$ 1,815,421	\$ 1,869,883
Contracted Services	244,325	246,768	249,236	251,728
Supplies and Materials	1,863,150	1,919,045	1,976,616	2,035,914
Other Costs	16,800	17,304	17,823	18,358
Capital outlay	25,000	25,000	25,000	25,000
Total Expenditures	\$ 3,860,483	\$ 3,970,661	\$ 4,084,095	\$ 4,200,884
Net change in fund balances	(104,563)	(27,845)	28,233	88,604
Fund Balance - July 1 (Beginning)	\$ 985,269	\$ 880,706	\$ 852,861	\$ 881,094
Fund Balance - June 30 (Ending)	\$ 880,706	\$ 852,861	\$ 881,094	\$ 969,698

Assumptions:

- (1) For Local Revenue a 3%-5% per year increase was projected due to expected student growth.
- (2) For State Revenue a 5% per year was used due to student growth and projected increase in per meal reimbursement amount.
- (3) Salary increases typically range from 2% - 5%. A 3% increase per year was used.
- (4) Non payroll expenses will increase to accommodate growth. An increase of 3% was used.
- (5) At FYE 2021 this fund had over three months of fund balance. The plan is to use the extra funds to increase the employee pay sch to allow the district to be more competitive in the labor market.



Child Nutrition Fund Budget by Object



Debt Service Fund

A school district is authorized to issue bonds and levy taxes for payment of bonds subject to voter approval of a proposition submitted to the voters under Texas Education Code (TEC) 45.003(b)(1), as amended, which provides for a tax unlimited as to rate or amount for the support of school district bonded indebtedness. A debt service fund is a governmental fund, with budgetary control, which is used to account for general long-term debt principal and interest for debt issues and other long-term debts for which a tax is dedicated. This fund maintains a separate bank account and utilizes the modified accrual basis of accounting. Principal and interest payments for operating indebtedness, including warrants, notes, and short-term lease-purchase agreements, are made from the fund of which the debt was incurred.

Debt Policy

Before issuing bonds, the district must demonstrate to the Texas Attorney General that it has the prospective ability to pay debt service on a proposed issue of bonds, together with debt service on other outstanding "new debt" of the district, from a tax levied at a rate of \$0.50 per \$100 of assessed valuation. Taxes levied to pay debt service on bonds approved by district voters at an election held on or before April 1, 1991, and issued before Sept. 1, 1992, (or debt issued to refund such bonds) are not subject to the threshold tax rate test. In addition, taxes levied to pay refunding bonds issued pursuant to Texas Government Code Chapter 1207 are not subject to the \$0.50 tax rate test; however, taxes are levied to pay debt service on such bonds are included in the calculation of the \$0.50 tax rate test as applied to subsequent issues of "new debt." TEC 45.003(1)

A district may demonstrate its ability to comply with the \$0.50 threshold tax rate test by applying the \$0.50 tax rate to an amount equal to 90 percent of projected future taxable value of property in the district, as certified by a registered professional appraiser, anticipated for the earlier of the tax year five years after the current tax rate of the tax year in which the final payment of the bonds is due. However, if a district uses projected future taxable values to meet the \$0.50 threshold tax rate test and subsequently imposes a tax rate greater than \$0.50 per \$100 of valuation to pay for bonds subject to the test, then for subsequent bond issues, the Attorney General must find that the district has the projected ability to pay principal and interest on the proposed bonds and all previously issued bonds subject to the \$0.50 threshold tax rate test from a tax rate of \$0.45 per \$100 of valuation. The District has not used projected property values to satisfy this threshold test.

Debt Limits

Debt service is a major area of cost due to the district's building program, primarily financed by the sale of general obligation bonds. Principal and interest payment are due in February or August each year, which permits the collection of a large majority of taxes levied before the long-term debt payments are due. The district does not have a formal debt limit policy.

The State of Texas does not impose a legal limit on the amount of long-term debt outstanding for school districts. However, Texas school districts are limited by statute to a debt service rate of \$.50 per \$100 of valuation. Therefore, the District considers it most useful to compare the amount of property tax revenue collected for debt service to debt service expenditures in a given year.

Legal Debt Limit Information Last Ten Fiscal Years

Fiscal Year	Taxable Assessed		Debt Service	Debt Service	Statutory Maximum	Maximum Possible		
	Value	Tax Rate	Tax Levy	Rate	Revenue	Revenue	Margin	Debt Service Expenditures
2014	\$ 1,503,836,296	\$ 0.50000	\$ 7,519,181	\$ 0.50000	\$ 7,519,181	\$ -	\$ 9,045,523	
2015	\$ 1,550,027,881	\$ 0.50000	\$ 7,750,139	\$ 0.50000	\$ 7,750,139	\$ -	\$ 3,435,380	
2016	\$ 1,651,789,520	\$ 0.50000	\$ 8,258,948	\$ 0.50000	\$ 8,258,948	\$ -	\$ 11,165,927	
2017	\$ 1,706,036,079	\$ 0.50000	\$ 8,530,180	\$ 0.50000	\$ 8,530,180	\$ -	\$ 11,117,840	
2018	\$ 1,833,123,068	\$ 0.50000	\$ 9,165,615	\$ 0.50000	\$ 9,165,615	\$ -	\$ 10,870,987	
2019	\$ 2,052,594,935	\$ 0.50000	\$ 10,262,975	\$ 0.50000	\$ 10,262,975	\$ -	\$ 10,645,497	
2020	\$ 2,278,262,138	\$ 0.48000	\$ 10,935,658	\$ 0.50000	\$ 11,391,311	\$ 455,652	\$ 10,461,916	
2021	\$ 2,471,212,233	\$ 0.45430	\$ 11,226,717	\$ 0.50000	\$ 12,356,061	\$ 1,129,344	\$ 9,679,573	
2022	\$ 2,679,107,375	\$ 0.48000	\$ 12,859,715	\$ 0.50000	\$ 13,395,537	\$ 535,821	\$ 9,010,175	
2023	\$ 3,001,751,224	\$ 0.48000	\$ 14,408,406	\$ 0.50000	\$ 15,008,756	\$ 600,350	\$ 14,455,688	

Long-Term Debt and Debt Service Requirements

Bonds are secured by ad valorem taxes levied against all taxable property and are serviced by the Debt Service Fund with an apportionment of the ad valorem tax levy. Interest rates on the bonds range from 0.3 percent to 6.00 percent. On June 30, 2021, \$18,365,283 was available in the Debt Service Fund to service these bonds. The District changes fiscal year in 2019-2020 which caused the increase in fund balance of \$8 million. In 2021-22 the District refunded some bonds and paid some bonds off early. Paying the bonds off early created a deficit budget for 2021-22 but saved the taxpayers over 1 million dollars. The budgeted local property tax revenue increased in the 2022-23 budget because the District passed a 8 cents Voter Approved Taxpayer Ratification election in November 2021 and the property tax values increased 10 percent. The property values are projected to continue to increase.

White Settlement Independent School District General Obligation Bonds Interest Rate and Maturity Schedule

Description - Authorization (Dated)	Interest Rate	Amount Original Issue	Maturity Date	Principal Balance as of 6-30-2022
Unlimited Tax School Building & Refunding Bonds 2003	3.125% - 5.90%	\$ 20,883,645	2027	\$ 2,669,134
Unlimited Tax School Building & Refunding Bonds 2012	0.3% - 3.61%	\$ 30,574,884	2022	\$ 503,449
Unlimited Tax School Building & Refunding Bonds 2013	2.0% - 5.00%	\$ 40,160,042	2023	\$ 1,165,000
Unlimited Tax School Building & Refunding Bonds 2014	0.6% - 5.00%	\$ 49,374,874	2022	\$ 65,948
Unlimited Tax School Building & Refunding Bonds 2015A	2.0% - 5.00%	\$ 16,155,000	2037	\$ 11,940,000
Unlimited Tax School Building & Refunding Bonds 2015B	2.0% - 4.59%	\$ 7,268,826	2041	\$ 1,763,826
Unlimited Tax School Building & Refunding Bonds 2016	2.0% - 3.00%	\$ 2,115,000	2032	\$ 915,000
Unlimited Tax School Building & Refunding Bonds 2020	1.80% - 4.00%	\$ 7,661,645	2034	\$ 7,661,645
Unlimited Tax School Building & Refunding Bonds 2020A	2.25% - 2.843%	\$ 112,649,526	2045	\$ 109,849,286
Unlimited Tax School Building & Refunding Bonds 2022	3.14%	\$ 4,596,880	2045	\$ 4,596,880
Total		\$ 286,843,442		\$ 141,130,168

**White Settlement Independent School District
Ratio of Net General Obligation Bonded Debt Outstanding
Last Ten Fiscal Years**

Fiscal Year	Taxable Assessed Value	General Obligation Bonds (1)	Less Amounts Available in Debt Service Fund (2)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Student Enrollment	Net Bonded Debt Per Student
2014	1,503,836,296	243,896,928	5,298,929	238,597,999	15.87%	6,551	36,422
2015	1,550,027,881	243,336,529	5,386,357	237,950,172	15.35%	6,647	35,798
2016	1,651,789,520	239,208,388	4,338,367	234,870,021	14.22%	6,697	35,071
2017	1,706,036,079	198,445,579	4,512,797	193,932,782	11.37%	6,794	28,545
2018	1,833,123,068	204,784,489	5,026,032	199,758,457	10.90%	6,842	29,196
2019	2,052,594,935	202,267,844	6,669,148	195,598,696	9.53%	6,836	28,613
2020	2,278,262,138	204,180,610	14,846,976	189,333,634	8.31%	6,971	27,160
2021	2,471,212,233	213,142,990	18,365,283	194,777,707	7.88%	6,701	29,067
2022	2,718,333,456	208,353,965	16,912,344	191,441,621	7.04%	7,036	27,209
2023	2,990,166,802	323,353,965	17,912,344	305,441,621	10.21%	7,150	42,719

NOTES:

(1) Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements
Outstanding debt is presented at par value which excludes accreted interest and premiums.

(2) This is the amount restricted for debt service payments on general obligation bonds in the governmental fund financial statements



Ratings

The Series of 2022 Bonds were rated as follows:

- Moody's Investors Services, Inc. rates the District's general obligation bonds "A1."
- Fitch Rating Services rates the bonds as "A+."

The bonds also have the guarantee of the Texas Permanent School Fund (PSF) Guarantee Program. Bonds with these ratings are judged to be of very high quality by all standards and allow the District to sell bonds at a reduced interest rate.

White Settlement Independent School District OPEB (Other Post-Employment Benefit) Liability

On June 30, 2021, the District reported a liability of \$17,704,283 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the district. The amount recognized by the district as its proportionate share of the net OPEB liability, that related state support, and the total portion of the net OPEB liability that was associated with the district were as follows:

District's proportionate share of the collective net OPEB liability	\$ 17,704,283
State's proportionate share that is associated with the District	<u>\$ 23,790,313</u>
TOTAL	\$ 41,494,596

The Net OPEB Liability was measured as of August 31, 2019, and rolled forward to August 31, 2020, and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period Sept. 1, 2019, through Aug. 31, 2020.

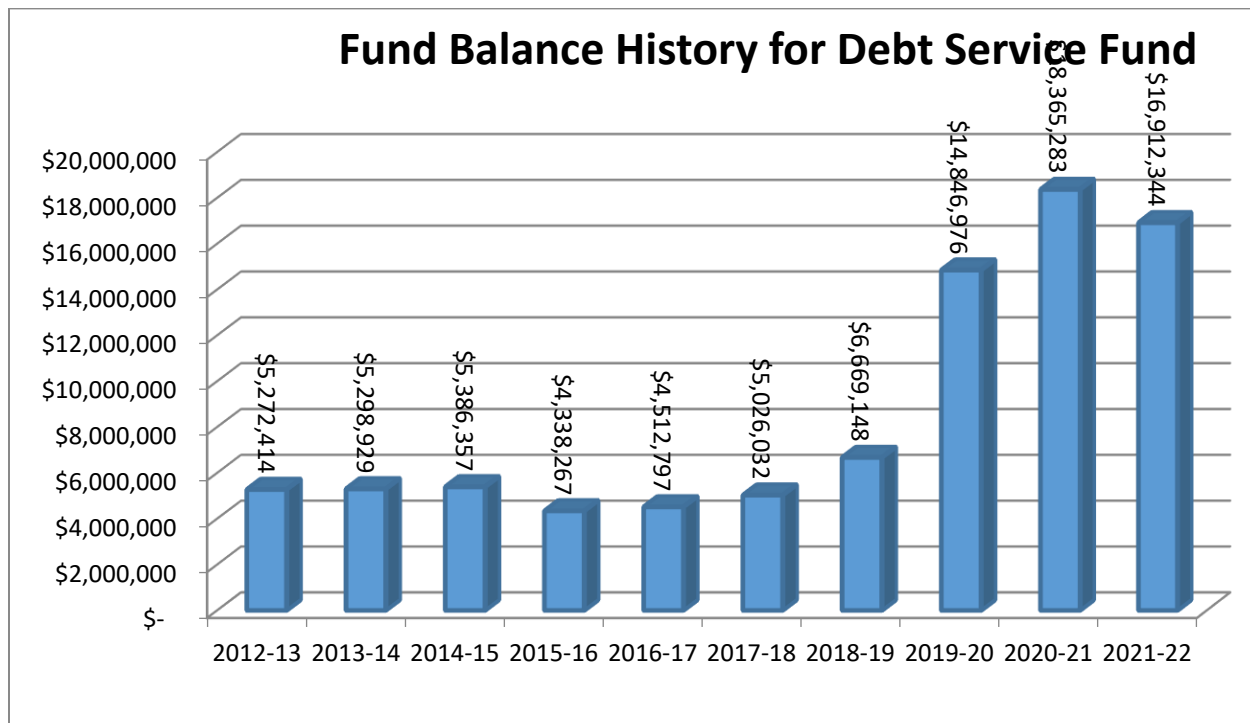
At Aug. 31, 2020, the employer's proportion of the collective Net OPEB Liability was 0.0465724289 percent, an increase of 0.0011557081 from its proportion measured as of Aug. 31, 2019.



White Settlement Independent School District
Comparative Summary of Revenues, Expenditures and Changes in Fund Balance
Debt Service Fund

	2018-19 Actual	Audited Actual (10 months)	2020-2021 Audited	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Local and intermediate sources	\$ 9,834,406	\$ 10,951,168	\$ 11,480,518	\$ 12,603,000	\$ 14,063,171	\$ 1,460,171
State program revenues	2,354,681	299,460	346,700	136,519	392,517	255,998
Total revenues	\$ 12,189,087	\$ 11,250,628	\$ 11,827,218	\$ 12,739,519	\$ 14,455,688	\$ 1,716,169
Expenditures						
Principal on long-term debt	2,044,697	-	4,640,000	6,659,150	3,229,398	(3,429,752)
Interest on long-term debt	8,494,467	3,067,683	3,665,606	7,523,308	11,216,290	3,692,982
Bond issuance costs and fees	6,807	5,117	1,384,301	140,570	10,000	(130,570)
Total Expenditures	\$ 10,545,971	\$ 3,072,800	\$ 9,689,907	\$ 14,323,028	\$ 14,455,688	\$ 132,660
Net change in fund balances	1,643,116	8,177,828	2,137,311	\$ (1,583,509)	\$ -	
Other Financing Sources (Uses)						
Proceeds from issuance of bonds	-	-	120,310,931	4,596,880	-	(4,596,880)
Premium on issuance of bonds	-	-	49,504,076	891,974	-	(891,974)
Payment to bond escrow agent	-	-	(168,434,011)	(5,358,284)	-	5,358,284
Total Financing Sources (Uses)	\$ -	\$ -	\$ 1,380,996	\$ 130,570	\$ -	\$ (130,570)
Net Change in Fund Balance	\$ 1,643,116	\$ 8,177,828	\$ 3,518,307	\$ (1,452,939)	\$ -	
Fund Balance - (Beginning)	\$ 5,026,032	\$ 6,669,148	\$ 14,846,976	\$ 18,365,283	\$ 16,912,344	
Fund Balance - June 30 (Ending)	\$ 6,669,148	\$ 14,846,976	\$ 18,365,283	\$ 16,912,344	\$ 16,912,344	





The District changed the fiscal year-end in the 2019-2020 school year. This change created a one-time increase in fund balance. The decrease in fund balance in 2021-2022 occurred because the District paid off almost \$2 million in bonds early. This transaction saved the taxpayers over \$1 million in future interest expenditures.

The next opportunity for the District to pay-offs bonds early is 2027. The District anticipates the fund balance to continue to increase slightly each year as the taxable values increase. Future years Debt Service budgets are not expected to be impacted by the new bonds because the tax base increase is expected to offset the additional payment requirements.

White Settlement Independent School District Outstanding Bond Amortization Net 10 Fiscal Years

Year Ending	Beginning Principal	FY Principal Paymnets	FY Interest Payments	Ending Principal
6/30/2023	141,130,167	2,659,397	7,004,159	138,470,770
6/30/2024	138,470,770	2,850,987	7,084,652	135,619,782
6/30/2025	135,619,782	2,334,183	7,905,832	133,285,600
6/30/2026	133,285,600	1,222,461	8,874,004	132,063,139
6/30/2027	132,063,139	1,967,992	8,231,585	130,095,147
6/30/2028	130,095,147	1,982,096	9,028,993	128,113,051
6/30/2029	128,113,051	1,480,160	9,678,605	126,632,891
6/30/2030	126,632,891	1,459,840	9,833,490	125,173,051
6/30/2031	125,173,051	1,466,557	10,003,970	123,706,494
6/30/2032	123,706,494	1,761,942	9,562,866	121,944,552

**White Settlement Independent School District
Financial Forecast – Debt Service Fund**

	2022-23	2023-24	2024-25	2025-26
<u>Projected Revenues</u>				
Local and Intermediate Sources	\$ 14,063,171	\$ 14,766,330	\$ 15,209,319	\$ 15,665,599
State Program Revenues	392,517	412,143	424,507	437,242
Total Revenues	\$ 14,455,688	\$ 15,178,472	\$ 15,633,827	\$ 16,102,841
<u>Projected Expenditures</u>				
Debt Administration- Principal	3,229,398	2,850,987	2,334,183	1,222,461
Debt Administration- Interest	11,216,290	12,192,727	13,013,907	13,982,079
Debt Administration - Fees	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Total Expenditures	\$ 14,455,688	\$ 15,053,715	\$ 15,358,090	\$ 15,214,540
Net change in fund balances		124,758	275,737	888,301
Fund Balance - July 1 (Beginning)	16,912,344	16,912,344	17,037,102	17,312,838
Fund Balance - June 30 (Ending)	\$ 16,912,344	\$ 17,037,102	17,312,838	18,201,140

Assumptions:

- (1) For Local Revenue a 3% - 5% per year increase was projected due to expected increase to property values.
- (2) Principal and interest payments are based on the district's revised bond schedule as of March 1, 2022.
- (3) The district sold bonds in July 2022. The expenditures for all years include bond payments on bonds sold in July 2022.
- (3) The District will earn state aid for the hold harmless related to the increase in the homestead exemption beginning in 2022-23.



History of Bonds

Prior to the passing the new bonds in May 2022, the WSISD has not had a bond election since 2004. The 2004 \$137 million 2004 bond package allowed the district to build a new high school as well as expand and renovate several other campuses.

The district has refinanced bonds ten times over the last 10 years to take advantage of lower interest rates. The refunding has saved the taxpayers over \$38 million.

The principal balance owed on General Obligation Bonds is \$147,248,364 as of June 30, 2022.

WSISD currently has 10 bond issues. Two of the issues will mature during the 2021-22 budget. All the current bonds outstanding are refunding bonds.

The May 2022 bond package will update and renovate existing campuses/facilities. No new campuses will be built.



Capital Projects

Introduction

A capital projects fund is a governmental fund that must be used to account, on a project basis, for projects financed by the proceeds from bond issues or other resources to be used for Board authorized acquisition, construction, or renovation, as well as furnishing and equipping of major capital facilities. The capital projects fund utilizes the modified accrual basis of accounting. Capital expenditure funds are spent for the acquisition of long-term basis assets.

The district defines capital expenditures and projects as follows:

- Capital Expenditures – Total charges incurred for the acquisition of a capital asset such as land, buildings, equipment, or permanent improvements to such items. The item must cost \$5,000 minimum per unit and have a useful life one year or more to be considered a capital asset.
- Capital Project – An activity that is distinguishable from other tasks or work being performed, has a scheduled and definitive beginning and ending, does not occur routinely or annually, and results in a capital improvement or acquisition of some kind.
- Capital Budget Development – White Settlement ISD utilizes large, comprehensive bond programs to address facility needs. As a part of the bond election process, the District works with an architect firm to develop a framework of projects to be addressed. These projects are determined through staff and architect firm analysis as well as input from the

community. A framework is developed to determine a schedule for completion. Once the projects are identified, specific budgets are established on a project basis. The document that results from this process is the Long-Range Facility Plan. The Long-Range Facility Plan was completed in October 2021 and the bond passed in May 2022 to fund the projects identified in the Long-Range Facility Plan.

Currently, the district does not have a Capital Project Funds. However, during the 2022-23 school year, the District will develop the Capital Projects fund budget for the bonds that will be sold in August 2022. This budget will provide details of timing and cost of each project. Following is a summary of the original planned projects and estimated costs.

White Settlement Independent School District Preliminary Capital Projects Fund Forecast

	2022-23	2023-24	2024-25	2025-26	Total
<u>Projected Revenues</u>					
Bond Proceeds	\$ 115,000,000	\$ -	\$ -	\$ -	\$ 115,000,000
Interest Income	2,916,750	2,732,426	861,026	91,177	\$ 6,601,379
Total Revenues	\$ 117,916,750	\$ 2,732,426	\$ 861,026	\$ 91,177	\$ 121,601,379
<u>Projected Expenditures</u>					
West Elementary	\$ 6,312,500	\$ 13,109,123	\$ -	\$ -	\$ 19,421,623
Liberty Elementary	-	9,813,507.00	1,338,205.00	-	\$ 11,151,712
Bule Haze Elementary	-	1,589,893.00	216,804.00	-	\$ 1,806,697
North Elementary	-	1,462,534.00	199,437.00	-	\$ 1,661,971
Tannahill Intermediate	-	316,262.00	43,127.00	-	\$ 359,389
Brewer Middle School	2,450,000.00	22,280,000.00	30,643,742.00	-	\$ 55,373,742
Brewer High School	5,557,524.00	9,699,907.00	-	-	\$ 15,257,431
Operations and Special Programs	-	-	2,273,782.00	-	\$ 2,273,782
Mechanical Systems Upgrades	-	-	17,250.00	-	\$ 17,250
Building and Land Acquisition	1,967,564.00	-	-	-	\$ 1,967,564
District-wide Projects	603,892.00	2,000,000.00	2,210,000.00	886,268.00	\$ 5,700,160
Total Expenditures	\$ 16,891,480	\$ 60,271,226	\$ 36,942,347	\$ 886,268	\$ 114,991,321
Net Change in Fund Balance	101,025,270	(57,538,800)	(36,081,321)	(795,091)	6,610,058
Fund Balance - July 1 (Beginning)	-	101,025,270	43,486,470	7,405,149	-
Fund Balance - June 30 (Ending)	\$ 101,025,270	\$ 43,486,470	7,405,149	6,610,058	-

Notes:

- (1) The \$115 of approved bonds will be sold in August 2022.
- (2) The District will use the interest earned on the bond funds to off-set the inflation costs.
- (3) The above schedule is a estimate of the budget time-line.
- (4) The total expenditures equals the original estimated cost of the projects.



Curriculum Realignment – 2022 Bond

As part of the bond, WSISD will also undergo a grade level instructional realignment. The changes will increase the capacity at all elementary schools, strengthen the kindergarten through fifth grade curriculum alignment, and create a stronger foundation for students as they transition to middle school. The realignment will begin in 3 to 5 years and will include the following updates.

- **Elementary**
 - A focused Pre-Kindergarten and Kindergarten Early Childhood Academy at West Elementary will enhance the early literacy and math skills of our pre-kindergarten and kindergarten students.
 - Blue Haze, Liberty and North Elementariness will now serve students in grades 1 through 5.
- **Fine Arts Academy**
 - The Fine Arts Academy will become a 1st through 5th grade campus at the current Tannahill Intermediate site, enabling the school to serve additional students and become a neighborhood school.
- **Sixth Grade Center**
 - The bond package includes the creation of a 6th Grade Center that will provide more flexibility in scheduling that results in additional support for student growth academically and socially.
 - The 6th Grade Center will now serve as the bridge from elementary to middle school and better prepare 6th graders for athletics, fine arts, and CTE programs.
 - Shared staffing at the middle school level will result in additional Fine Arts, Pre-Athletic, and Career and Technical Education (CTE) opportunities in sixth grade.
 - This increased exposure at a younger age will enable sixth graders to explore their interests and learn how to balance the rigor of academics and extracurricular opportunities.
 - More targeted instruction in fine arts, athletics, and CTE will better prepare students to compete and excel at the middle school and high school levels.



Current Facilities

White Settlement ISD is committed to providing an innovative and engaging learning environment for all students. The fiscal year 2022-23 school system facilities consist of 4 elementary schools; one intermediate school; one middle schools; one high school; one Fine Arts Academy for grades kindergarten through six. All schools within the district are fully accredited by the Texas Education Agency. The district maintains a pupil-teacher ratios of 22:1 for grades kindergarten through 4 and 28:1 ratio for grades 5 through 12.

Other capital expenditures including the replacement of school buses, district vehicles, and large equipment are funded out of the general fund based on priority basis. During the budget cycle each year, the capital project priority list is reviewed and revised. The Board of Trustees along with administration set the priority schedule to determine which projects will be funded each year.



Federal Funds

Program Descriptions

The Federal Funds are used to account for federal grants awarded to the district with the purpose of accomplishing specific educational goals. These purposes must supplement basic education services delivered by local and state revenues in the General Fund. They are not intended to replace the original funding of these basic education services. These funds utilize the modified accrual basis of accounting. Federal Funds are not Board Adopted but are included in this document for informational purposes. Grants included in the Federal Funds are described below:

- **ESEA, Title I, Part A – Basic:** supplemental service designed to accelerate the academic achievement of economically disadvantaged students, especially in the tested areas, to ensure that state standards are met on identified campuses.
- **IDEA, Part B – Formula:** salaries and supplies to aid children with disabilities with low reading achievement.
- **IDEA, Part B – Preschool:** aids preschool students with disabilities
- **Vocational Education – Basic:** funds are for the use of various vocationally-inclined students in regular, disadvantaged and disability classes.
- **IDEA-B Formula ARP –** provides additional funding to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on the nation's students.
- **IDEA-B Preschool ARP –** provides additional funding to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on the nation's students.
- **ESEA, Title II, Part A – TPTR (Teacher and Principal Training and Recruiting):** supplements the professional development, retention, and recruitment programs district-wide, specifically on high needs campuses.
- **ESEA, Title III, Part A – English Language Acquisition:** provides additional educational opportunities to supplement programs for students of limited English proficiency and immigrant children by assisting the children to learn English and meet challenges.
- **ESEA, Title IV, Part A – Student Support and Academic Enrichment:** provides additional educational opportunities to supplement programs to support the goal of preparing every child for success in college, a career, or the military.
- **CRRSA ESSER II –** the intent and purpose of the funding is to prevent, prepare for, or respond to the COVID-19 pandemic, including its impact on the social, emotional, mental health, and academic needs to students.
- **ARP ESSER III –** provides additional funding to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on the nation's students.

White Settlement ISD Statement of Revenues, Expenditures & Changes in Fund Balance
Budgeted Federal Funds by Object
For Year Ending June 30, 2023

	ESEA, TITLE I, PTA - Improving Basic Ed 211	IDEA B - Formula 224	IDEA B - Preschool 225	Vocational Ed - Basic 244	ESEA Title II, Pt A - Improving Teacher Quality 255	ESEA Title III- LEP 263	CRRSA ESSER II 281	ARP ESSER III 282	IDEA-B Formula ARP 284	IDEA-B Preschool ARP 285	Title IV, Part A, Subpart 1 Fund 289	Total Federal Funds
Revenues												
Federal Program Revenues	1,560,741	1,883,079	63,111	55,850	269,522	129,824	159,448	2,614,366	246,696	12,474	101,857	7,096,968
Total Revenues	1,560,741	1,883,079	63,111	55,850	269,522	129,824	159,448	2,614,366	246,696	12,474	101,857	7,096,968
Expenditures												
Payroll Costs	1,546,212	1,516,238	62,713		206,227	90,678	159,448	2,113,784	226,496	12,474	99,527	6,033,797
Contracted Services	1,929	308,341	100		40,135	10,100		150,000	100		900	511,605
Supplies and Materials	11,600	5,000	100	40,850	19,160	24,096		15,457	20,000		1,430	137,693
Miscellaneous	1,000	53,500	198	15,000	4,000	4,950			100			78,748
Capital outlay								335,125				335,125
Total Expenditures	1,560,741	1,883,079	63,111	55,850	269,522	129,824	159,448	2,614,366	246,696	12,474	101,857	7,096,968
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



White Settlement ISD
Comparative Summary of Revenues, Expenditures & Changes in Fund Balance
Federal Funds by Object

	2018-19 Audited Actual	2019-20 Audited Actual (10 months)	2020-21 Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Federal Revenues	2,968,404	3,018,907	7,321,337	10,174,597	7,096,968	(3,077,629)
Total Revenues	\$ 2,968,404	\$ 3,018,907	\$ 7,321,337	\$ 10,174,597	\$ 7,096,968	(3,077,629)
Expenditures						
Payroll Costs	2,845,427	2,428,845	3,803,967	6,747,308	6,033,797	(713,511)
Contracted Services	-	351,200	1,989,039	305,640	511,605	205,965
Supplies and Materials	-	121,474	1,289,070	2,964,456	137,693	(2,826,763)
Other Costs	122,977	87,888	115,746	142,933	78,748	(64,185)
Capital outlay	-	29,500	123,515	14,260	335,125	320,865
Total Expenditures	\$ 2,968,404	\$ 3,018,907	\$ 7,321,337	\$ 10,174,597	\$ 7,096,968	\$ (3,077,629)
Net change in fund balances						
Fund Balance - (Beginning)	\$ -	\$ -	\$ -	\$ -	\$ -	
Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -	\$ -	



White Settlement ISD
Comparative Summary of Revenues, Expenditures & Changes in Fund Balance
Federal Funds by Function

	2018-19 Audited Actual	2019-20 Audited Actual (10 Months)	2020-21 Audited Actual	2021-22 Amended Budget	2022-23 Adopted Budget	Change From Prior Year
Revenues						
Federal program revenues	2,968,404	3,018,907	7,321,337	10,174,597	7,096,968	(3,077,629)
Total Revenues	\$ 2,968,404	\$ 3,018,907	\$ 7,321,337	\$ 10,174,597	\$ 7,096,968	\$ (3,077,629)
Expenditures						
Instruction	\$ 1,696,251	\$ 1,614,465	\$ 2,746,981	\$ 5,326,482	\$ 3,918,816	(1,407,666)
Instruction resources and media services	-	-	-	8,145	-	(8,145)
Curriculum and staff development	534,822	500,450	571,295	816,720	917,990	101,270
Instructional leadership	1,676	-	2,385	16,798	102,420	85,622
School leadership	-	-	-	349,347	299,912	(49,435)
Guidance, counseling and evaluation services	544,736	558,380	660,454	1,029,613	1,210,557	180,944
Social work services	-	-	-	1,019	-	(1,019)
Health services	3,524	-	-	86,752	31,268	(55,484)
Student transportation	-	-	122,063	169,233	485,125	315,892
Food Services	-	-	-	70,077	-	(70,077)
Extracurricular activities	-	657	-	7,550	-	(7,550)
General administration	-	-	20,460	99,358	77,380	(21,978)
Facilities maintenance and operations	-	284,312	3,011,120	894,346	-	(894,346)
Security and monitoring services	64,418	30,613	4,109	7,200	-	(7,200)
Data processing services	-	7,410	123,970	1,192,557	-	(1,192,557)
Community services	-	-	-	19,400	-	(19,400)
Data processing services	-	-	58,500	-	-	-
Payments related to shared services arrangements	122,977	22,620	-	80,000	53,500	(26,500)
Total Expenditures	\$ 2,968,404	\$ 3,018,907	\$ 7,321,337	\$ 10,174,597	\$ 7,096,968	\$ (3,077,629)
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance - (Beginning)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



White Settlement ISD Financial Forecast for Federal Funds

	2022-23	2023-24	2024-25	2025-26
<u>Projected Revenues</u>				
Federal Program Revenues	7,096,968	4,145,264	4,228,169	4,312,733
Total Revenues	\$ 7,096,968	\$ 4,145,264	\$ 4,228,169	\$ 4,312,733
<u>Projected Expenditures</u>				
Payroll Costs	\$ 6,033,797	\$ 3,655,159	\$ 3,880,399	\$ 3,962,341
Contracted Services	511,605	361,605	216,700	216,700
Supplies and Materials	137,693	50,000	51,000	52,020
Other Costs	78,748	78,500	80,070	81,672
Capital outlay	335,125	-	-	-
Total Expenditures	\$ 7,096,968	\$ 4,145,264	\$ 4,228,169	\$ 4,312,733
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund Balance - July 1 (Beginning)	\$ -	\$ -	\$ -	\$ -
Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

Assumptions:

- (1) Federal Revenue is not guaranteed from year to year. For projection purposes we estimated an increase of 2% per year.
- (2) Salary increases typically range from 2% - 4%. A 3% increase per year was used.
- (3) If Revenue remains the same and salary costs increase each year, other costs will need to be reduced to account for the difference.
- (4) The 2022-23 budget includes 3 million of one-time federal funds related to the COVID Pandemic special funding.
- (5) Approximately 2 million of salary currently paid for from federal programs will move to the General Fund in 2023-2024



White Settlement ISD Comparative Summary Expenditures Federal Funds

Program	Fund Number	2018-19 Audited Actual	2019-20 Audited Actual (10 Months)	2020-21 Audited Actual	2021-22 Amended Budget	2022-2023 Adopted Budget	Change From Prior Year
ESEA, Title I, Part A - Improving Basic Programs	211	\$ 1,055,013	\$ 928,074	\$ 1,082,569	\$ 1,349,868	\$ 1,560,741	210,873
IDEA-B Formula	224	\$ 1,380,159	\$ 1,375,217	\$ 1,250,658	\$ 1,877,206	\$ 1,883,079	5,873
IDEA-B Preschool	225	\$ 72,320	\$ 36,011	\$ 42,391	\$ 59,956	\$ 63,111	3,155
Carl D. Perkins Basic Grant	244	\$ 75,996	\$ 70,094	\$ 62,632	\$ 71,262	\$ 55,850	(15,412)
ESEA Title II, Part A, Teacher/Principal Training and Recruiting	255	\$ 173,742	\$ 156,565	\$ 177,820	\$ 231,401	\$ 269,522	38,121
ESEA Title III, Part A Limited English Proficiency	263	\$ 71,799	\$ 87,131	\$ 89,773	\$ 118,013	\$ 129,824	11,811
Elementary & Secondary School Relief Fund	266	\$ -	\$ 305,131	\$ 580,714	\$ -	\$ -	-
Instructional Continuity	276	\$ -	\$ -	\$ 34,976	\$ -	\$ -	-
TDEM Conovirus Relief Fund	277	\$ -	\$ -	\$ 437,360	\$ -	\$ -	-
CRRSA ESSER II	281	\$ -	\$ -	\$ 2,470,982	\$ 1,941,440	\$ 159,448	(1,781,992)
ARP ESSER III	282	\$ -	\$ -	\$ 1,013,544	\$ 4,113,746	\$ 2,614,366	(1,499,380)
IDEA-B Formula ARP	284	\$ -	\$ -	\$ -	\$ 303,104	\$ 246,696	(56,408)
IDWA-B Preschool ARP	285	\$ -	\$ -	\$ -	\$ -	\$ 12,474	12,474
ESEA Title IV, Subpart 1	289	\$ 139,375	\$ 60,684	\$ 77,919	\$ 108,601	\$ 101,857	(6,744)
Advanced Placement Incentive	397	\$ -	\$ -	\$ 193	\$ -	\$ -	-
TOTAL		\$ 2,968,404	\$ 3,018,907	\$ 7,321,531	\$ 10,174,597	\$ 7,096,968	\$ (3,077,629)
Notes:							
(1) During 2021-22 the Child Nutrition Fund received additional funding related to the COVID-19 pandemic. The District 2021-22 budget included replacing old equipment, but the District did not receive the equipemnt byfiscal year end due to supplychain issues.							
(2) The district used the ESSER II and ESSER III funds to purchase/pay for approximately \$2.5 million of one-time expenditures.							



Other State & Local Funds

Program Descriptions

The Other State and Local funds are used to account for miscellaneous state and local grants are awarded to the district with the purpose of accomplishing specific educational goals. These funds utilize the modified accrual basis of accounting. Other State and Local Funds are not Board Adopted but are included in this document for informational purposes. Grants included in the Funds are described below:

- **State Instructional Materials Allotment** – This fund is used to account for funds awarded to the district under the instructional materials allotment. The allotment is awarded on a award every other year based on a formula and the textbook revision schedule.
- **Public School Child Care Services** – WSISD uses this fund to account for a grant awarded from the City of Fort Worth for an after-school program for elementary students
- **State-Funded Special Revenue Funds** – This fund is used to account for state grants not accounted for in any other fund listed.
- **Activity Fund** – This fund is used to account for funds that are raised by student activity groups or funds from local businesses and organizations that require funds to be spent for a specific purpose.
- **Innovative Teaching Grants** – This funds innovative teaching grants awarded to district educators by the WSISD Education Foundation.



White Settlement ISD
Statement of Revenues, Expenditures & Changes in Funds Balance
Budgeted Other State and Local Funds by Object
For Year Ending June 30, 2023

	Instructional Materials Allotment 410	Public School Child Care Services 412	Other State Revenue 429	Activity Funds 461	Liberty After School Program 482	Foundation Gap Awards 486	Total
Revenues							
Local and intermediate sources	\$ -	\$ 50,000	\$ -	\$ 700,000	\$ -	\$ 115,000	\$ 865,000
State Program Revenues	\$ 383,381						\$ 383,381
Total Revenues	\$ 383,381	\$ 50,000	\$ -	\$ 700,000	\$ -	\$ 115,000	\$ 1,248,381
Expenditures							
Payroll Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contracted Services	\$ -	\$ 50,000	\$ -	\$ 100,000	\$ -	\$ -	\$ 150,000
Supplies and Materials	\$ 383,381	\$ -	\$ -	\$ 400,000	\$ -	\$ 115,000	\$ 898,381
Miscellaneous	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ 200,000
Capital outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 383,381	\$ 50,000	\$ -	\$ 700,000	\$ -	\$ 115,000	\$ 1,248,381
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



White Settlement ISD
Comparative Summary of Revenues, Expenditures & Changes in Funds Balance
Other State and Local Funds by Function
For Year Ended June 30, 2023

	Instructional Materials Allotment 410	Public School Child Care Services 412	Other State Revenue 429	Activity Funds 461	Liberty After School Program 482	Foundation Gap Awards 486	Total
Revenues							
Local and intermediate sources	\$ -	\$ 50,000	\$ -	\$ 700,000	\$ -	\$ 115,000	865,000
State Program Revenues	\$ 383,381	\$ -	\$ -	\$ -	\$ -	\$ -	383,381
Total Revenues	383,381	50,000		700,000		115,000	1,248,381
Expenditures							
Instruction	\$ 383,381	\$ -	\$ -	\$ -	\$ -	\$ 115,000	498,381
Instructional Leadership	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
School Leadership	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Guidance and Counseling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Social work services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Student Transportation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Cocurricular/Extracurricular Activities	\$ -	\$ -	\$ -	\$ 700,000	\$ -	\$ -	700,000
Child Nutrition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
General Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Facilities Maintenance and Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Security and Monitoring Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Data Processing/Technology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Community services	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	50,000
Total Expenditures	383,381	50,000		700,000		115,000	1,248,381
Excess (deficiency) of revenues over expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



White Settlement ISD
Financial Forecast – Other State & Local Funds

	2022-23	2023-24	2024-25	2025-26
<u>Projected Revenues</u>				
Local and intermediate sources	\$ 865,000	\$ 890,950	\$ 917,679	\$ 945,209
State program revenues	383,381	1,500,000	450,000	1,500,000
Total Revenues	\$ 1,248,381	\$ 2,390,950	\$ 1,367,679	\$ 2,445,209
<u>Projected Expenditures</u>				
Payroll Costs	\$ -	\$ -	\$ -	\$ -
Contracted Services	150,000	154,500	159,135	163,909
Supplies and Materials	898,381	2,030,450	996,364	2,062,755
Other Costs	200,000	206,000	212,180	218,545
Debt Service	-	-	-	-
Capital outlay	-	-	-	-
Other Uses	-	-	-	-
Total Expenditures	\$ 1,248,381	\$ 2,390,950	\$ 1,367,679	\$ 2,445,209
Net change in fund balances	\$ -	\$ -	\$ -	\$ (0)
Fund Balance - July 1 (Beginning)	\$ 756,600	\$ 756,600	\$ 756,600	\$ 756,600
Fund Balance - June 30 (Ending)	\$ 756,600	\$ 756,600	\$ 756,600	\$ 756,600

Assumptions:

- (1) The student Activity Local Revenue is expected to increase by 3% each year along with student growth projection.
- (2) The State Revenue from the Instructional Materials Allotment is expected to increase for the 2022-23 and 2024-25 school years when the state awards allocations (every other year).
- (3) The expenditures are expected to increase 3% plus the additional Instructional Materials Allotment allocated in years 2022-23 and 2024-25.



Informational Section



Tax Rate

The primary source of local funding for school districts is ad valorem taxes levied against the taxable property located in each school district. The maximum M&O tax rate for school districts is generally limited to \$1.50 per \$100 of taxable value. The M&O tax rate is calculated by the Texas Education Agency each year. The certified value the District receives on July 25th each year is used in this calculation. The Debt Service tax rate is calculated by dividing the assessed value by the debt payments per \$100 of value.

Property values for the 2022-23 fiscal year increased by almost 10 percent over the 2020-2021 year. The 2022-23 total district tax rate per \$100 of property value is \$1.4174. This amount is comprised of a Maintenance and Operations (M&O) tax rate of \$0.9374 and an Interest and Sinking (I&S) tax rate of \$0.4800

Property taxes are levied by Oct. 1 in conformity with Subtitle E of the Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are delinquent if not paid before Feb. 1 of the year following the year in which imposed. On Jan. 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. The tax levy for the 2021 fiscal year was based on the assessed value, as of Jan 1, 2021, of \$2,568,978,043.

White Settlement Independent School District Last Ten Years Tax Rates

Year	Maintenance & Operation	Debt Service	Total
2014	1.0400	0.5000	1.5400
2015	1.0400	0.5000	1.5400
2016	1.0400	0.5000	1.5400
2017	1.0400	0.5000	1.5400
2018	1.0400	0.5000	1.5400
2019	1.0400	0.5000	1.5400
2020	0.9700	0.4800	1.4500
2021	0.9616	0.4543	1.4159
2022	0.9803	0.4800	1.4603
2023	0.9374	0.4800	1.4174

Property Subject to Taxation by the District

Except for certain exemptions provided by Texas law, all property in the district is subject to taxation by the district. Categories of exemptions applicable to the district include property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods; family supplies, and personal effects; farm products owned by the producers; certain property affiliated with charitable organizations, youth development associations, religious organizations, and qualified schools; designated historic sites; solar and wind-powered energy devices; and most

individually owned automobiles. In addition, owners of agricultural, timber, and open space land may, under certain circumstances, request valuation of such land on the basis of productive capacity rather than market value.

Residential Homestead Exemptions

An adult who files an application is entitled to an exemption from taxation by the district of \$40,000 (increased from \$25,000 in May 2022) of the appraised value of his residential homestead for that year and subsequent years until the property is sold or is no longer his homestead. If the taxpayer is 65 or older, or is disabled, an additional \$20,000 of the appraised value is exempt from district taxation. Disabled veterans are entitled to an exemption, the amount of which, varies up to \$12,000, dependent on age and disability, and certain survivors of deceased disabled veterans may claim the same amount of exemption.

The freeze on ad valorem taxes on the homesteads of person 65 years of age or older is also transferable to a different residence homestead. Also, a surviving spouse of a taxpayer who qualifies for the freeze on ad valorem taxes is entitled to the same exemption so long as the property is the homestead of the surviving spouse, and the spouse is at least 55 years of age at the time of death of the individual's spouse. A disabled veteran (and surviving spouse) who receives from the United States Department of Veterans Affairs of its successor 100 percent disability compensation due to a service-connected disability and a rating of 100 percent disabled or of individual non-employability is entitled to an exemption from taxation of the total appraised value of the veteran's residence homestead. Further, effective Jan. 1, 2012, the surviving spouse of a deceased veteran who had received a disability rating of 100 percent is entitled to receive a residential homestead exemption equal to the exemption received by the deceased spouse until such surviving spouse remarries. Please see the chart below explaining how the tax rate effects a homeowner:

White Settlement Independent School District Tax Effect of Average Taxpayer

Tax Year	Average Market Value	Less Exemption	Average Net Taxable Value	Tax Rate per \$100 Valuation	Annual Effect	Monthly Effect	Monthly Increase
2018-19	\$ 152,898	\$ 25,000	\$ 119,742	\$1.54000	\$ 1,844	\$ 153.67	\$ -
2019-20	\$ 178,669	\$ 25,000	\$ 137,224	\$1.45000	\$ 1,990	\$ 165.81	\$ 12.14
2020-21	\$ 185,502	\$ 25,000	\$ 144,085	\$1.41590	\$ 2,040	\$ 170.01	\$ 4.20
2021-22	\$ 196,828	\$ 25,000	\$ 162,851	\$1.46030	\$ 2,378	\$ 198.18	\$ 28.17
2022-23	\$ 210,351	\$ 40,000	\$ 175,888	\$1.41740	\$ 2,493	\$ 207.75	\$ 9.58

NOTES:

(1) Taxpayers over the age of 65 receive an additional \$20,000 homestead exemption.

(2) Beginning in 2022-23 the regular homestead exemption amount was increased by \$15,000.

**White Settlement Independent School District
Assessed Value & Actual Value of Taxable Property
Current & Forecasted**

Fiscal Year Ending 6/30:	Real Property Value (1)	Personal Value (1)	Less: Exemptions	Total Assessed and Actual Value	Total Direct Rate (2)
2013-14	1,462,213,134	370,706,884	(329,083,722)	1,503,836,296	1.5400
2014-15	1,563,536,036	311,257,948	(324,766,103)	1,550,027,881	1.5400
2015-16	1,638,152,609	328,146,691	(384,911,053)	1,581,388,247	1.5400
2016-17	1,947,420,821	236,123,756	(717,597,824)	1,465,946,753	1.5400
2016-17	1,947,420,821	236,123,756	(717,597,824)	1,465,946,753	1.5400
2017-18	2,181,061,763	229,115,281	(811,265,940)	1,598,911,104	1.5400
2018-19	2,397,426,050	258,078,667	(709,351,756)	1,946,152,961	1.5400
2019-20	2,636,232,957	303,706,035	(661,676,854)	2,278,262,138	1.4500
2020-21	2,844,609,318	299,654,780	(673,051,865)	2,471,212,233	1.4159
2021-22	3,203,027,988	331,562,277	(795,519,176)	2,739,071,089	1.4603
2022-23	3,773,946,751	363,987,861	(1,136,183,388)	3,001,751,224	1.4174
2023-24	3,962,644,089	382,187,254	(1,192,992,557)	3,151,838,785	1.4174
2024-25	4,121,149,852	397,474,744	(652,082,172)	3,866,542,425	1.4174
2024-25	4,244,784,348	409,398,987	(645,812,151)	4,008,371,184	1.4174

(1) The value is the appraised value at original certification and fluctuates due to property owner protests and preliminary appraisal values at the time of certification.

(2) Tax Rates are per \$100 of assessed value.

(3) 3 years of forecasted values include a 5%, 4% and 3% growth rate respectively.

(4) The homestead exemption increased by \$15,000 in 2022-23.

(5) The voters of the district approved a 8 cent Voter Approved Taxpayer Ratification Election (VATRE) in November 2021; however, due to the tax rate compression the total rate for 2022-2023 did not increase.

Source: Tarrant County (Texas) Appraisal District annually provides the District's tax office with appraised values for properties within the District's taxing authority. Appraised value equals actual value. Actual value less exemptions equals taxable value. Taxable value times the tax rate set by the District's Board of Trustees each fall equal the tax levy. The term "assessed value" means taxable value.

**White Settlement Independent School District
Property Tax Levies & Collections
Last Ten Years**

Fiscal Year	Tax Levy	Levy Year Tax Collections	Percent of Levy Collected in Levy Year	Tax Collections in Subsequent Years	Total Tax Collections to Date 2020	Total Collections to Date as Percent of Levy
2013	25,779,475	25,561,290	99.15%	169,810	25,731,100	99.81%
2014 (1)	22,933,815	22,706,840	99.01%	201,476	22,908,316	99.89%
2015	24,332,527	24,069,790	98.92%	222,600	24,292,390	99.84%
2016	24,373,826	24,147,979	99.07%	194,006	24,341,985	99.87%
2017	25,394,615	25,110,848	98.88%	255,445	25,366,293	99.89%
2018	27,629,174	27,399,273	99.17%	178,739	27,578,012	99.81%
2019	30,711,935	30,313,610	98.70%	263,529	30,577,139	99.56%
2020	33,914,993	33,369,793	98.39%	413,225	33,783,018	99.61%
2021	34,989,894	34,421,955	98.38%	435,964	34,857,919	99.62%
2022(2)	39,123,005	38,283,998	97.86%	-	38,283,998	97.86%

(1) Appraised value less exemptions equals taxable value. The beginning taxable value net of adjustments times the tax rate set each fall by the District's Board of Trustees equals the total net tax levy. The net tax levy for prior years reflects ongoing adjustments applied to that year's tax levy.

Source: Tarrant County (Texas) Tax Office Reports.



**White Settlement Independent School District
Property Tax Rates – District & Overlapping Governments
(Per \$100 of Assessed Value)**

<u>Taxing Authority</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Overlapping Rates:							
City of Fort Worth	\$ 0.7330	\$ 0.7475	\$ 0.7475	\$ 0.7550	\$ 0.8050	\$ 0.8350	\$ 0.8550
City of White Settlement	\$ 0.7420	\$ 0.7462	\$ 0.7323	\$ 0.7620	\$ 0.7620	\$ 0.7550	\$ 0.7330
City of Westworth Village	\$ 0.4750	\$ 0.4750	\$ 0.4850	\$ 0.4850	\$ 0.5000	\$ 0.5000	\$ 0.5000
Tarrant County	\$ 0.2290	\$ 0.2340	\$ 0.2340	\$ 0.0440	\$ 0.2540	\$ 0.2640	\$ 0.2640
Town of Lakeside	\$ 0.4060	\$ 0.4063	\$ 0.4063	\$ 0.3790	\$ 0.3750	\$ 0.3600	\$ 0.0379
Total Other Entities	\$ 2.5850	\$ 2.6090	\$ 2.6051	\$ 2.4250	\$ 2.6960	\$ 2.7140	\$ 2.3899
District Direct Rates:							
Maintenance & Operations	\$ 0.9803	\$ 0.9616	\$ 0.9700	\$ 1.0400	\$ 1.0400	\$ 1.0400	\$ 1.0400
Debt Service	\$ 0.4800	\$ 0.4543	\$ 0.4800	\$ 0.5000	\$ 0.5000	\$ 0.5000	\$ 0.5000
Total District Direct Rates	\$ 1.4603	\$ 1.4159	\$ 1.4500	\$ 1.5400	\$ 1.5400	\$ 1.5400	\$ 1.5400

NOTE:

(1) Expenditures of the various taxing entities within the territory of the District are paid out of ad valorem taxes levied by such entities on properties within the District. Such entities are independent of the District and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax debt was developed from information contained in "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the District, the District has not independently verified the accuracy or completeness of such information and no person should rely upon such information as being accurate or complete.

Source: Texas Municipal Reports published by the Municipal Advisory Council of Texas.



White Settlement Independent School District Principal Property Taxpayers 2022 VS. 2013

Principal Taxpayers	Type of Property	2022		2013	
		Taxable Assessed Valuation	Rank	Taxable Assessed Valuation	Rank
DCP Gold Creek LLC	Real Estate	\$ 65,605,000	1	-	-
Oxford Villas No 2 LLC	Apartments	50,000,000.00	2	\$ 12,560,000	9
SPM Flow Control Inc.	Oil Field Equip Manuf Plant	42,664,285.00	3	256,250,204.00	1
Constellation/Upland LLC ETAL	Apartments	40,400,000.00	4	24,600,000.00	4
Oncor Electric Delivery CO LLC	Utility	34,298,211.00	5	17,280,602.00	8
SPI Westpoint 264 LLC	Commercial	32,000,000.00	6	-	-
A V Brickell Pointe LTD/AV Beacon LLC	Real Estate	23,770,000.00	7	-	-
Ashbury Ft. Worth LLC	Auto Dealer	22,075,266.00	8	-	-
AEP Charter High Point DT W LLC	Charter School	19,206,139.00	9	-	-
Wal-Mart Stores Tex	Retail Store	18,685,269.00	10	23,104,032.00	5
WG NLA LLC	Real Estate	-	-	-	-
Chesapeake Operating	Land/ Improvements	-	-	34,478,710.00	3
Devon Energy Production	Utility	-	-	60,183,150.00	2
Fortress Properties, Ltd.	Contractor	-	-	22,000,000.00	6
Westpoint Dfw Apartments	Apartments	-	-	21,425,000.00	7
Lockheed Martin Aeronautics Co	Aeronautics	-	-	12,500,000.00	10
Total		<u>\$ 348,704,170</u>		<u>\$ 484,381,698</u>	
Total Net Taxable Value		<u>\$ 2,739,070,089</u>		<u>\$ 1,549,622,187</u>	



Bond Amortization

White Settlement Independent School District Total Outstanding Bond Amortization Next 10 Fiscal Years

Year Ending	Beginning Principal	FY Principal Paymnets	FY Interest Payments	Ending Principal
6/30/2023	141,130,167	2,659,397	7,004,159	138,470,770
6/30/2024	138,470,770	2,850,987	7,084,652	135,619,782
6/30/2025	135,619,782	2,334,183	7,905,832	133,285,600
6/30/2026	133,285,600	1,222,461	8,874,004	132,063,139
6/30/2027	132,063,139	1,967,992	8,231,585	130,095,147
6/30/2028	130,095,147	1,982,096	9,028,993	128,113,051
6/30/2029	128,113,051	1,480,160	9,678,605	126,632,891
6/30/2030	126,632,891	1,459,840	9,833,490	125,173,051
6/30/2031	125,173,051	1,466,557	10,003,970	123,706,494
6/30/2032	123,706,494	1,761,942	9,562,866	121,944,552

White Settlement Independent School District General Obligation Bonds Interest Rates and Maturity Schedule

Description - Authorization (Dated)	Interest Rate	Amount Original Issue	Maturity Date	Principal Balance as of 6-30-2022
Unlimited Tax School Building & Refunding Bonds 2003	3.125% - 5.90%	\$ 20,883,645	2027	\$ 2,669,134
Unlimited Tax School Building & Refunding Bonds 2012	0.3% - 3.61%	\$ 30,574,884	2022	\$ 503,449
Unlimited Tax School Building & Refunding Bonds 2013	2.0% - 5.00%	\$ 40,160,042	2023	\$ 1,165,000
Unlimited Tax School Building & Refunding Bonds 2014	0.6% - 5.00%	\$ 49,374,874	2022	\$ 65,948
Unlimited Tax School Building & Refunding Bonds 2015A	2.0% - 5.00%	\$ 16,155,000	2037	\$ 11,940,000
Unlimited Tax School Building & Refunding Bonds 2015B	2.0% - 4.59%	\$ 7,268,826	2041	\$ 1,763,826
Unlimited Tax School Building & Refunding Bonds 2016	2.0% - 3.00%	\$ 2,115,000	2032	\$ 915,000
Unlimited Tax School Building & Refunding Bonds 2020	1.80% - 4.00%	\$ 7,661,645	2034	\$ 7,661,645
Unlimited Tax School Building & Refunding Bonds 2020A	2.25% - 2.843%	\$ 112,649,526	2045	\$ 109,849,286
Unlimited Tax School Building & Refunding Bonds 2022	3.14%	\$ 4,596,880	2045	\$ 4,596,880
Total		\$ 286,843,442		\$ 141,130,168

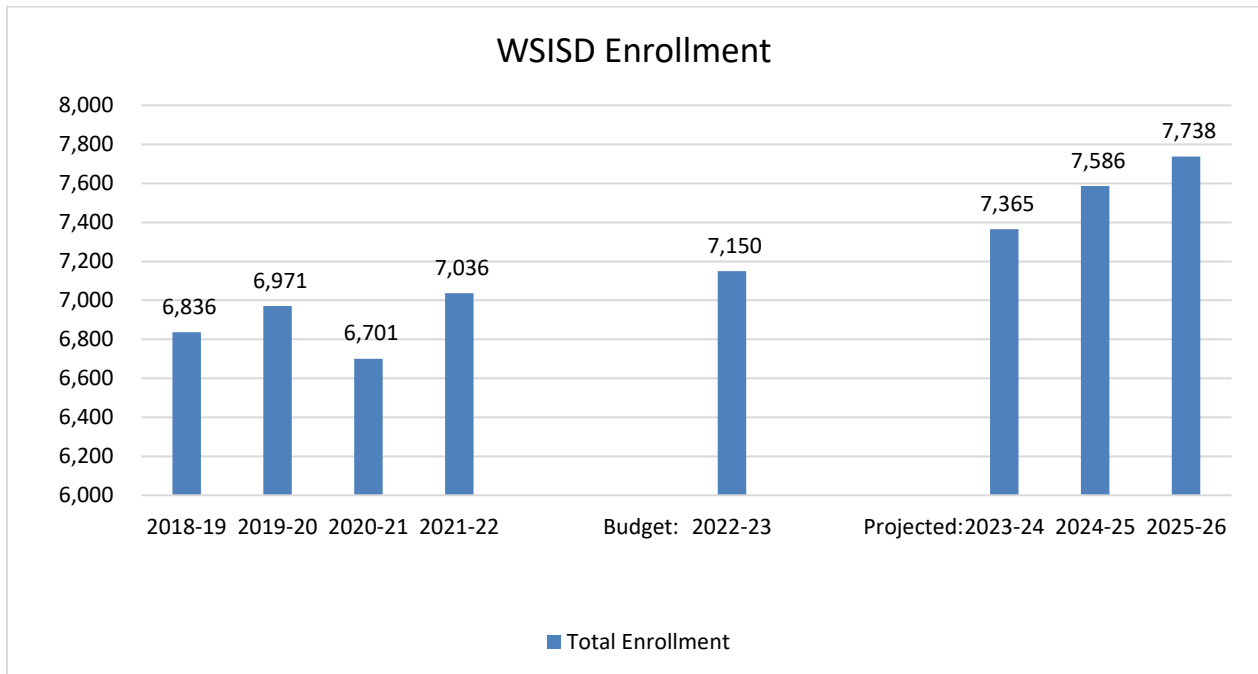
All the current outstanding bonds are bonds that were refunded for a lower interest rate except the 2003 series. The 2003 series proceeds were used to renovate facilities in the District.

Enrollment Data

Forecasted enrollment is calculated using average of ratio, trend methods and information obtained from the current demographer's report for the district.

White Settlement Independent School District Districtwide Student Enrollment Data

School Year	Total Enrollment	Free/Reduced Lunch Program %	Elementary	Intermediate	Middle School	High School
Actual:						
2018-19	6,836	55.10%	2,693	1,084	1,099	1,960
2019-20	6,971	57.40%	2,749	1,053	1,141	2,028
2020-21	6,701	57.40%	2,522	951	1,111	2,117
2021-22	7,036	55.07%	2,788	1,014	1,076	2,158
Budget:						
2022-23	7,150	60.00%	2,840	1,030	1,090	2,190
Projected:						
2023-24	7,365	57.00%	2,925	1,061	1,123	2,256
2024-25	7,586	57.00%	3,030	1,093	1,156	2,307
2025-26	7,738	57.00%	3,091	1,115	1,180	2,353



Demographics

The district is a diverse, suburban community with an ethnic diversity throughout the community. Over the last five years the Hispanic and African American percentages have increased slightly each year. WSISD has a 55.7 percent economically disadvantaged student population and an 8.9 percent English Learner student population; 54.79 percent of WSISD students are considered at-risk. The percentage of at-risk students has increased over 8 percent last year.

Substantial residential development in WSISD is driving student enrollment and tax base growth. Over the last five years, the district has averaged over 300 new home starts per year.

White Settlement ISD recognizes the following demographic data when planning for future expansion:

- Within the district, there were more than 410 new homes started from the third quarter of 2020 to the second quarter of 2021.
- Annual closings climbed to a record of 460 units, surpassing the previous high set in 2007.
- Developers delivered 372 new lots in the district from third quarter of 2020 to the second quarter of 2021.
- As of the Spring 2022, there are 6,192 total single-family lots in-process and planned in White Settlement ISD.
- WSISD is poised to see about 1,850 new homes built and occupied over the next 5 years, averaging approximately 365 closings per year.
- The number of planned future apartment units in WSISD is 487 units.
- An industrial site is under development within the District.

WSISD new home price as of March 2022 was a record \$323,750, an increase of 11 percent over the prior year. The greater Fort Worth's median new home price is \$396,149, an increase of 17.9 percent over the prior year.

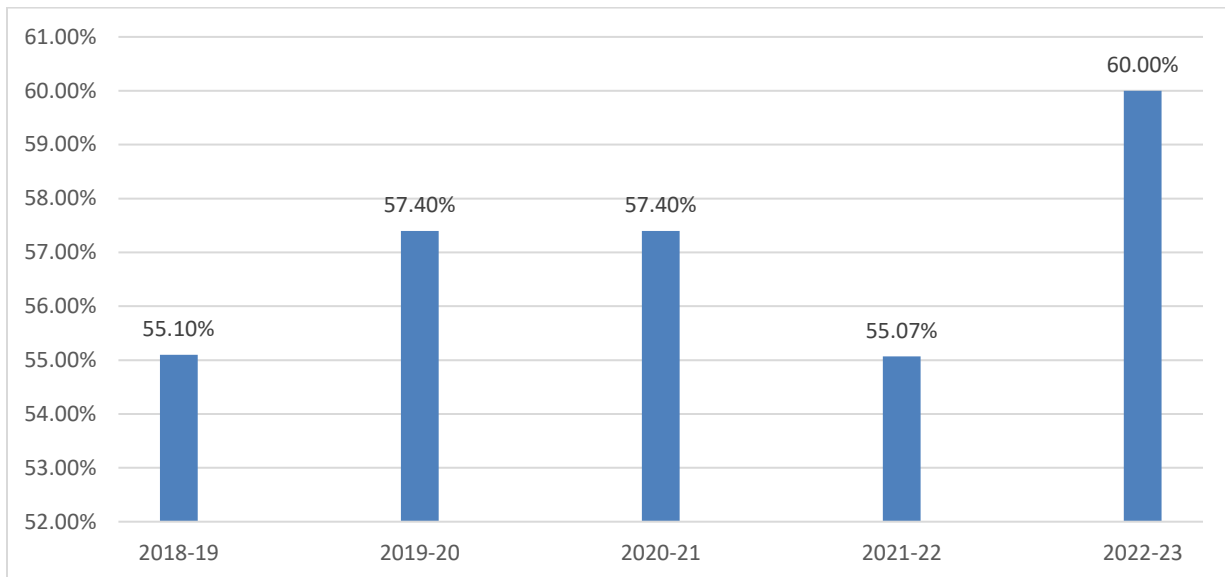
White Settlement Independent School District Student Ethnicity Percentages for the Last Five Years

Ethnicity	2018	2019	2020	2021	2022
Native Hawaiian/Pacific Islander	0.10%	0.10%	0.30%	0.20%	0.23%
American Indian/Alaska Native	0.50%	0.40%	0.40%	0.40%	0.47%
Asian	1.40%	1.30%	1.40%	1.40%	1.73%
Two or More	4.70%	4.60%	4.70%	4.90%	5.51%
Hispanic	40.30%	41.50%	41.80%	43.60%	44.10%
African American	8.10%	9.20%	9.50%	9.50%	10.40%
White	44.90%	42.90%	41.90%	40.00%	37.56%

White Settlement Independent School District Economically Disadvantaged Percentage of Students

Last Five Years

The percentage for 2022-23 is estimated based on current projections.



Personnel

Student growth is the driving force behind personnel needs. Each year, the Human Resources Department along with the Instructional Department evaluates the need for staffing changes and positions based on student enrollment and enrollment projections. The 2022-23 budget included adding 5 staff members based on projected enrollment as well as repurposing and adding other positions as needed.

White Settlement Independent School District District Employees by Position

POSITION:	2017	2018	2019	2020	2021	2022	2022
Administrator	14.5	15.5	17.5	18.5	19.5	20.5	20.5
Associate/Assistant Principal/Testing	20	19	20	20	22	24	24
Athletic Trainer	2	2	2	4	5	2	2
Auxiliary Staff	140.5	140	151	148	145	150.8	150.8
Communications Professional	1	1	1	1	1	2	2
Counselor	15	14	14	14	15	16	18
Directors	4	4	4	5	4	5	6
Educational Aide	118.5	121.5	127.5	129.5	130.5	114.2	114.2
Educational Diagnostician	8	7	7	8	7	7.5	7.5
Instructional Coaches	8	9	12	8	9	9	10
Librarian	1	1	1	1	1	1	1
Nurse	9	9	9	9	9	10	10
Occupational Therapist	1	2	2	2	2	2	2
Other Non-Campus Prof. Personel	3.5	13.5	15	19	20	26.5	26.5
Orientation/Mobility Instructor	0	0	0	0	0	1	1
Physical Therapist	0	0	0	0	1	1	1
Police	4	4	4	4	5	5	5
Psychologist/LSSP	0	1	1	3	4	2	0
Principal	9	9	8	8	8	9.5	10
Social Worker	2	2	2	3	4	2	2
Speech Therapist	7	7	7	9	9	8	8
Teacher	427	431	428	430	429	444.5	447
Truant Officer/Visiting Teacher	0	0	0	0	0	1	2
Total Employees	795	813	833	844	850	864.5	870.5



White Settlement Independent School District History of Teacher Base Salaries

Fiscal Year Ended 6/30: (1)	District		Region Average Salary	State wide Average Salary
	Minimum Salary	Maximum Salary		
2012	42,600	57,400	50,386	48,375
2013	45,000	58,900	51,130	48,821
2014	45,000	58,900	52,208	49,692
2015	45,500	59,400	53,291	45,570
2016	47,000	60,900	54,379	46,450
2017	47,800	61,700	55,194	52,525
2018	48,500	62,400	56,144	47,883
2019	52,500	66,400	56,985	54,122
2020	53,800	67,700	59,339	57,091
2021	54,600	68,500	60,028	57,641

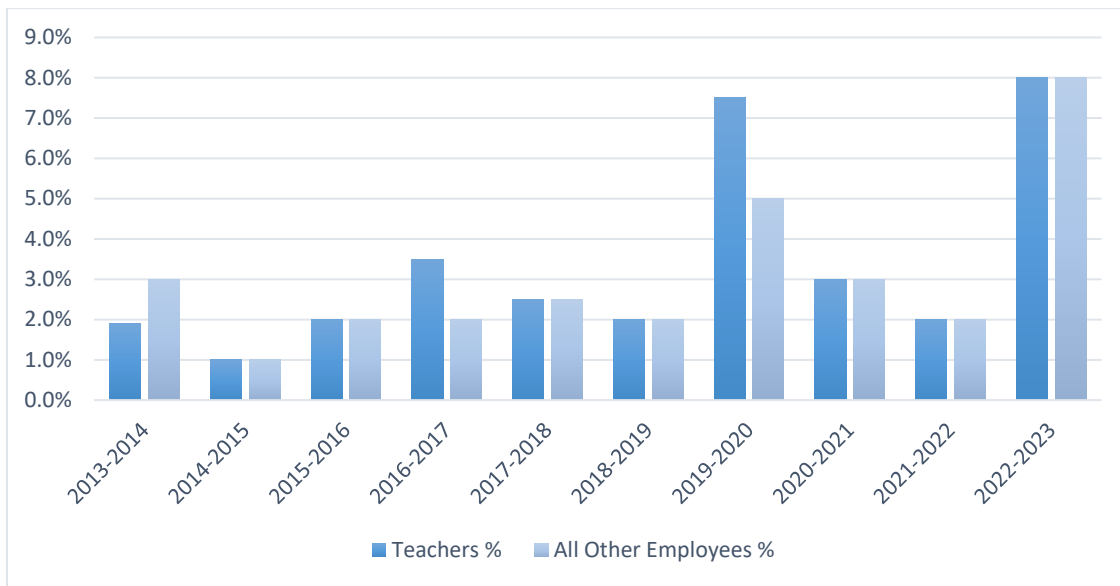
NOTE:

(1) Salary amount does not include stipends.

Source: Texas Academic Performance Report published by the Texas Education Agency and District Records



History of Employee Pay Increases



For each year listed, the Board of Trustees has also approved an additional \$500 salary adjustment for each full-time employee, which has typically been paid in November. The following compensation was also paid in addition to the percentage raises listed in the chart above.

- **2013-2014**
 - TASB Salary Study – all pay scales were updated and additional raises were given as applicable.
 - Additional \$500 check was paid August 2014.
- **2019-2020**
 - Pay scales updated for market – additional raises were given as applicable.
- **2021-2022**
 - Additional COVID Stipend of \$1,000 was paid in October 2021.
 - Additional \$1,200 for Teachers and 2% of midpoint for all other employees was paid in June 2022.
 - Staff received an average raise of 6% during 2021-2022 school year.
- **2022-2023**
 - Pay scales updated for market – additional raises were given as applicable.



Academic Performance

Due to the global pandemic caused by COVID-19, the Texas Education Agency (TEA) declared a state of disaster for all campuses and districts. Due to the declared state of disaster, TEA did not provide accountability ratings for two consecutive school years, 2019-20 and 2020-21. During the 2020-21 school year, students in attendance took the State of Texas Assessment of Academic Readiness tests. Compared to the 2018-2019 overall results, raw test data results revealed student academic declines were not as severe as expected after being out of school the majority of the spring semester of 2020. In fact, West Elementary was removed from the ESF Target Campus List, a huge achievement for a school to overcome during a pandemic year.

The Career & Technical Education Department of White Settlement ISD is committed to empowering our students with the skills necessary to manage the dual roles of family member and wage earner, and to enable them to gain meaningful and relevant employment in high-skilled, high-wage jobs and/or to continue their education at a post-secondary institution. Students can earn industry certifications in areas such as animal science, welding, cosmetology, culinary arts, medical assisting, Adobe and Microsoft Office software, and more. The data in the tables below reflect data from the three most recent years published by the Texas Education Agency.

Graduation Rate and CTE Graduates

	Graduation Rate		CTE Coherent Graduates	
	WSISD	State	WSISD	State
	4-Year	4-Year	Annual	Annual
2017-2018	87.2%	90.0%	67.4%	58.4%
2018-2019	90.4%	90.0%	87.6%	59.0%
2019-2020	91.8%	90.3%	82.0%	58.5%

Economically Disadvantaged

	WSISD		State	
	Free	Reduced	Free	Reduced
2019-2020	48.60%	8.80%	42.55%	4.61%
2020-2021	51.31%	9.15%	43.91%	3.98%
2021-2022	47.90%	6.98%	42.28%	3.55%

State Assessment Data

		2018-2019		2019-2020		2020-2021	
		WSISD	State	WSISD	State	WSISD	State
3rd Grade	Reading	81%	76%	*	*	77%	67%
	Math	83%	79%	*	*	73%	62%
4th Grade	Reading	79%	75%	*	*	72%	63%
	Math	79%	75%	*	*	73%	59%
	Writing	72%	67%	*	*	66%	53%
5th Grade	Reading	89%	86%	*	*	76%	73%
	Math	93%	90%	*	*	70%	70%
	Science	78%	75%	*	*	68%	62%
6th Grade	Reading	70%	68%	*	*	68%	62%
	Math	78%	81%	*	*	73%	68%
7th Grade	Reading	73%	76%	*	*	74%	69%
	Math	62%	75%	*	*	60%	55%
	Writing	60%	70%	*	*	74%	63%
8th Grade	Reading	86%	86%	*	*	77%	73%
	Math	89%	88%	*	*	61%	62%
	Science	81%	81%	*	*	68%	68%
	Social Studies	67%	69%	*	*	62%	57%
EOC	English I	64%	68%	*	*	61%	67%
	English II	62%	68%	*	*	66%	71%
	Algebra I	77%	85%	*	*	63%	73%
	Biology	87%	88%	*	*	78%	82%
	U.S. History	92%	93%	*	*	85%	88%
All Grades	All Subjects	77%	78%	*	*	70%	67%
	ELA/Reading	75%	75%	*	*	71%	68%
	Math	80%	82%	*	*	68%	66%
	Writing	65%	68%	*	*	70%	58%
	Science	82%	81%	*	*	71%	71%
	Social Studies	79%	81%	*	*	73%	73%

* No testing data due to COVID-19

Technology

White Settlement ISD remains committed to providing an innovative and engaging learning environment for all students. Through the WSISD EdTech training courses and the technology available at the campus level, WSISD provides its students with a 21st century learning environment. WSISD provides every student in grades 4 through 12 with a laptop for use at school and home.

Pre-kindergarten through third grade students receive computers for use in the classroom. Every elementary and secondary core classroom is equipped with a smartboard. Instructional Technology Specialists in the Technology Department work with teachers and staff to ensure the successful implementation of technology in the classroom.

WSISD is a Dell EMC Model School District and a Common Sense Education School District. WSISD recently updated its technology infrastructure to support new and existing technology devices. The district utilizes e-rate funding to update our technology infrastructure, equipment, and servers on a regular schedule.



Police Department

The White Settlement ISD Police Department is fully authorized by the State of Texas as a police agency by the State of Texas, and all WSISD school district police officers are commissioned by the state. School district police officers are authorized to enforce all laws and have full authority to arrest individuals found in violation of those laws. Officers answer calls for service throughout the district and provide other functions as needed. The WSISD Police Department has 5 sworn officers and 3 security guards.

Safety and Security

WSISD continually seeks ways to enhance student safety. The 2022-2023 budget includes the addition of a Safety, Security, and Emergency Management Coordinator to enhance the safety procedures and programs throughout the District.

In 2020, the District implemented the Guardian Program where selected school personnel participate in an extensive training program and are qualified to carry concealed firearms in school facilities. Guardians must adhere to requirements established by the Texas Department of Public Safety and are trained and evaluated monthly alongside local law enforcement. Guardians are trained in tactics to effectively deny an intruder entry into a classroom or school facility.

WSISD also partners with outside agencies to provide comfort dogs in our schools as well as dogs that search for gun powder residue and drugs.

Every WSISD campus and department is equipped with a doorbell intercom system with both audio and visual capability. This ensures that all campuses are fully secured during the school day, while still allowing visitors to WSISD to be greeted promptly and courteously.

Health Services

Every WSISD school is staffed with a full-time registered nurse to provide every student with individualized health care. The health services department has 9 registered nurses and four trainers. Also, health services staff provides regular AED device training and CPR certification classes to employees. The Health Services department performs student health screenings for hearing, vision, spinal state, and other areas.

WSISD is committed to providing a safe and healthy educational experience for all students. We have created and appointed a School Health Advisory Council (SHAC) to provide feedback on programming to make sure that local community values are reflected in the district's safety and health programs.





White Settlement ISD
2022-2023
Academic Calendar
 Updated 7/11/22

9 WEEK
GRADING PERIODS
 Aug. 17- Oct. 14
 Oct. 17-Dec. 16
 Jan. 9-March 10
 March 21-May 24

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 White Settlement ISD

August 2022						
Sun	M	T	W	Th	F	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			
July 27&28 & Aug. 1 First Year Staff/Teachers Aug. 2-5 & 8-12 & 15 & 16 Staff Development Aug. 17 First Day of School/1st 9 Weeks						

September 2022						
Sun	M	T	W	Th	F	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	
Sept. 5 Labor Day Holiday						

October 2022						
Sun	M	T	W	Th	F	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24/31	25	26	27	28	29
Oct. 6 & 7 Staff Development Oct. 10 Holiday Oct. 14 1st 9 Weeks Ends Oct. 17 2nd 9 Weeks Begins						

November 2022						
Sun	M	T	W	Th	F	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			
Nov. 18 Staff Development/Student Holiday Nov. 21-25 Thanksgiving Break						

December 2022						
Sun	M	T	W	Th	F	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31
Dec. 6-16 EOC Testing Window Dec. 16 2nd 9 Weeks Ends Dec. 19-30 Winter Break						

January 2023						
Sun	M	T	W	Th	F	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				
Jan. 2 & 3 Winter Break Jan. 4-6 Staff Development/Student Holidays Jan. 9 3rd 9 Weeks Begins Jan. 16 Holiday/Martin Luther King, Jr. Day						

February 2023						
Sun	M	T	W	Th	F	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				
Feb. 20 Staff Development/Student Holiday						

March 2023						
Sun	M	T	W	Th	F	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	
March 10 3rd 9 Weeks Period Ends March 13-17 Spring Break March 20 Staff Development/Student Holiday March 21 4th 9 Weeks Begins						

April 2023						
Sun	M	T	W	Th	F	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24	25	26	27	28	29
April 7 Inclement Weather Make-Up Day April 18-28 STAAR Testing Window						

May 2023						
Sun	M	T	W	Th	F	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			
May 1-12 STAAR/EOC Testing Window May 19 Inclement Weather Make-Up Day May 24 4th 9 Weeks Ends/Last Day May 25 & 26 Staff Development May 29 Holiday for Staff May 30 & 31 Inclement Weather Staff Make-Up						

June 2023						
Sun	M	T	W	Th	F	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	
June 20-30 STAAR/EOC Retesting						

July 2023						
Sun	M	T	W	Th	F	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24/31	25	26	27	28	29
July 3-7 Offices Closed						

Glossary of Abbreviations, Acronyms, and Terms

Commonly Used Acronyms

ACT – American College Test
ADA – Average Daily Attendance
AEIS – Academic Excellence Indicator System
AEP – Alternative Education Program
AP – Advance Placement
ARD – Admission, Review and Dismissal
ASBO – Association of School Business Officials
ASF – Available School Fund
ASATR – Additional State Aid for Tax Reduction
AVID – Advancement Via Individual Determination
CTE – Career and Technology Education
DAEP – Disciplinary Alternative Education Program
EDA – Existing Debt Allotment
ESL – English as a Second Language
FASRG – Financial Accountability System Resource Guide
FIRST – Financial Integrity Rating System of Texas
FSP – Foundation School Program
FTE – Full Time Equivalent
GAAP – Generally Accepted Accounting Principles
GASB – Governmental Accounting Standards Board
GFOA – Government Finance Officers Association
I&S – Interest and Sinking
IDEA – Individuals and Disabilities Education Act
IFA – Instructional Facilities Allotment
ISD – Independent School District
M&O – Maintenance and Operations
MOE – Maintenance of Effort
NCLB – No Child Left Behind
NSLP – National School Lunch Program
PEIMS – Public Education Information Management System
SAT – Standardized Aptitude Test
SCE – State Compensatory Education
SHARS – School Health and Related Services
STAAR – State of Texas Assessments of Academic Readiness
STEM – School for Science, Technology, Engineering, and Mathematics
TAD – Tarrant Appraisal District
TEA – Texas Education Agency
TEC – Texas Education Code
TRS – Teacher Retirement System
WADA – Weighted Average Daily Attendance

Education Terms and Abbreviations

Accountability Ratings: The Accountability Ratings System rates campuses and districts as exemplary, recognized, acceptable, and low performing based on the percentage of students who pass the state assessment instruments and the dropout rate.

Accrue: To record revenues when earned or when levies are made, and to record expenditures as soon as they result in liabilities, regardless of when the revenue is actually received, or the payment is actually made. Sometimes, the term is used in a restricted sense to denote the recording of revenues earned but not yet due, such as accrued interest on investments and the recording of expenditures which result in liabilities that are payable in another accounting period, such as accrued interest on bonds.

Actual Tax Rate or Nominal Tax Rate: The tax rate adopted by school districts and used to calculate tax bills.

Appropriation: An authorization granted by a legislative body to make expenditures and incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

Assessed Valuation: A valuation is set upon real estate or other property by the County Appraisal District to be used as a basis for levying taxes.

Association of School Business Officials International (ASBO): The Association of School Business Officials International, founded in 1910, is a professional association that provides programs and services to promote the highest standards of school business management practices, professional growth, and the effective use of educational resources.

Available School Fund (ASF): The ASF is made up of earnings from the Permanent School Fund, constitutionally dedicated motor-fuel taxes, and other miscellaneous revenue sources. The bulk of ASF revenue is distributed on a per-capita basis to all school districts. A portion provides funding for textbooks and technology.

Average Daily Attendance (ADA): A method of counting students for the purpose of providing state aid to school districts. Currently, Texas counts students in attendance each day and averages the attendance each day and averages the attendance count over the year.

Balanced Budget: A budget with revenues equal to expenditures, and neither a budget deficit nor a budget surplus.

Basic Allotment: The basic allotment is the initial or starting number that, after adjustment, is used to calculate foundation program costs and state aid to school districts.

Bonds: (See "General Obligation Bonds")

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them.

Capital Assets (aka Fixed Assets): Capital assets are tangible in nature; long-lived (have a life of longer than one year); of a significant value at purchase or acquisition time; and are reasonably identified and controlled through a physical inventory system. They may include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, furniture, and other equipment intended to be held or used over a long period of time. “Fixed” denotes probability or intent to continue use of an asset and does not indicate immobility.

Compensatory Education: The state compensatory education allotment provides additional financial support to school districts to teach educationally disadvantaged pupils and underachieving students. A program of compensatory education should provide additional services and instructional support, beyond the regular program, to help students compensate for academic deficiencies and may include programs for at-risk students. The allotment is based upon the number of students participating in the federal free or reduced-price lunch program.

Comprehensive Annual Financial Report (CAFR): A financial report that encompasses all funds and component units of the government. The CAFR should contain (a) the basic financial statements and required supplementary information, (b) combining statements to support columns in the basic financial statements that aggregate information from more than one fund or component unit, and (c) individual fund statements as needed. The CAFR is the governmental unit’s official annual report and also should contain introductory information, schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, and statistical data.

County Appraisal District (CAD): Each county (some multi-counties) has established an appraisal district office that is responsible for maintaining taxable real and personal property records and placing a value on all property for taxation purposes. A chief appraiser, an individual appointed by an appraisal district board of directors, heads the CAD office. The appraisal district board is, in turn, elected by certain taxing entities.

Debt Service: (See “Interest and Sinking Fund”)

Disciplinary Alternative Education Programs (DAEP): The law requires school districts to set up an educational setting for students who engage in certain illegal conduct or for students who violate certain provisions of the school district’s code of conduct. The DAEP must provide for students’ educational and behavioral needs. Districts must allocate to a DAEP the same expenditure per student that would be allocated if the student were attending the regularly assigned program, including a special education program.

Dropout Rate (Annual): The annual dropout rate is the count of all students identified as a dropout after being absent without an approved excuse or document transfer and does not return to school by the fall of the following year; or completes the school year but fails to re-enroll the following school year. The dropout rate is all official dropouts summed across all grades (7 through 12) divided by the number of students summed across all grades (7 through 12). The annual dropout rate is different than a longitudinal rate, which compares the number of students who began school together in the seventh grade and who eventually graduate.

Education Service Center (ESC): in 1967, twenty (20) state service centers were established by the Texas Legislature to provide school districts with professional development training and technical assistance that support statewide goals for school improvement.

Effective Tax Rate: State law in Texas prescribes a formula for calculating the effective tax rate for districts. The net effect of the formula is to produce a tax rate that goes down when property values (and vice versa) to generate a rate that produces approximately the same revenue as the year before. The formula adjusts for additional debt service, newly annexed, and newly constructed property. This tax rate is an important element of the annual Truth-in-taxation process.

Equity: In school finance, equity generally refers to fair or equal distribution of resources for schooling, taking into account student differences and school district characteristics. The standard used by the Texas Supreme Court is a taxpayer equity standard, which means similar revenue for similar tax effort. In other words, the school finance system is to be property wealth neutral: a district's property tax base should have little or no impact on its ability to generate funding from the Foundation School Program.

Existing Debt Allotment (EDA) Program: The EDA provides tax rate equalization for local debt service taxes, operates without applications, and has no award cycles. Each school district is guaranteed a specified amount per student in state and local funds for each cent of tax effort to pay the principal of and interest on general obligation bonds. The district must have made a payment on the bonds on or before August 31, 2013. The current existing debt tax rate may not exceed \$0.29 per \$100 of valuation.

Foundation School Program (FSP): A program for the financial support of a basic instructional program for all Texas school children. Money to support the program comes from the Permanent School Fund, Available School Fund, Foundation School Fund, state and general revenue, and local property taxes. The state establishes a foundation level and sets, for each district, a calculated contribution level called the local fund assignment (LFA). The greater a district's property wealth, the higher the LFA, State aid makes up the difference between the LFA and the foundation level. Currently, the FSP consists of three parts or tiers. The first tier provides funding for a basic program. The second tier provides a guaranteed-yield system so that school districts have substantially equal access to revenue sufficient to support an accredited program. The third tier equalizes debt service requirements for existing facilities debt.

Foundation School Program Tax Rate: This is the rate used in calculating state aid to school districts. It is calculated by dividing actual collections by the prior year's taxable value determined by the state property tax division of the state comptroller's office.

Full-Time Equivalent (FTE): Measures the extent to which one individual or student occupies a full-time position or provides instruction, e.g., a person who works four hours a day or a student that attends a half of a day represents a .5 FTE. When FTE counts are included in reports they represent the aggregate of all FTE percentages, e.g., if one teacher provides four hours of instruction and four others provide one hour, together they represent one FTE.

Fund: A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance: Also known as “fund equity,” it is the difference between governmental fund assets and liabilities.

Fund Types: There are three types of funds. (1) Governmental funds are accounting segregations of financial resources, (2) Proprietary Fund reporting focuses on the determination of net income, changes in net assets (or cost recovery), financial position, and cash flows; and (3) Fiduciary fund reporting focuses on net assets and changes in net assets.

General Obligation Bonds: Negotiable coupon bonds for the construction, acquisition and equipping of school buildings; the acquisition of land; energy conservation measures; refinancing of property financed under a contract entered under Subchapter A, Chapter 271, Local Government Code that pledge the full faith and credit of the school district; and the purchase of new school buses. Such bonds may be issued in various series or issues with a maturity not to exceed 40 years (TEC 45.003). General obligation bonds are usually either term bonds or serial bonds.

Government Finance Officers Association (GFOA): An association of public finance professionals founded in 1906 as the Municipal Finance Officers Association. The GFOA has played a major role in the development and promotion of Generally Accepted Accounting Principles (GAAP) for state and local government since its inception and has sponsored the Certificate of Achievement for Excellence in Financial Reporting Program since 1946 and the Distinguished Budget Presentation Award Program since 1984.

Grant: A contribution by one governmental unit to another. The contribution is usually made to aid in the support of a specified function (for example, special education), but it is sometimes also for general purposes.

Guaranteed Yield: Tier 2 in the Foundation School Program guarantees a specific revenue yield per student per penny of local tax effort. The state makes up the difference between the district tax levy per student and the guaranteed yield per student by enriching the local M&O tax effort. Current state aid formulas provide a Guaranteed Yield of \$61.95 per weighted student.

Independent School District (ISD): The Texas Constitution permits the state Legislature to create districts. Each district operates its schools and assesses property taxes within the district to support, in part, the schools. The term independent refers to the fact that the school district is not a part of city or county government and has independent budgeting and taxing authority. ISDs are governed by locally elected boards of trustees.

Individual Education Plan (IEP): A document required by federal law that details the special education requirements for each disabled student and explains how the school intends to address

the student's needs. An IEP is intended to help ensure that disabled students have equal access to public education in the least restrictive environment.

Individuals with Disabilities Education Act (IDEA): The purposes of the individuals with Disabilities Education Act (IDEA) are to: (1) ensure that all children with disabilities have available to them a free appropriate public education with emphasizes special education and related services designed to meet their unique needs; (2) ensure that the rights of children with disabilities and their parents or guardians are protected; (3) assist States, localities, educational service agencies, and Federal agencies to provide for the education of all children with disabilities; and (4) assess and ensure the effectiveness of efforts to educate children with disabilities.

Instructional Facilities Allotment (IFA): Since 1997, the IFA has provided funds to school districts to help pay for debt service. The mechanism for computing the state and local share of the IFA payment is a guaranteed-yield formula. Low-wealth school districts and school districts not already participating in the IFA program have priority in receiving IFA funding for construction or lease purchase of new instructional facilities.

Instructional Materials Allotment (IMA): Legislation from the 82nd Texas Legislature created the IMA for the purchase of instructional materials, technological equipment, and technology-related services. A school district is entitled to an annual allotment from the state instructional materials fund for each student enrolled in the district on a date during the preceding school year specified by the commissioner.

Interest and Sinking Fund (I&S) Tax: Also called the debt service tax. A tax levied by school districts to pay for bonded indebtedness, usually for construction of facilities and other capital needs.

Juvenile Justice Alternative Education Program (JJAEP): In counties with populations greater than 125,000, the juvenile board must develop a juvenile justice AEP approved by the Texas Juvenile Probation Commission. In these larger counties, students who engage in conduct requiring expulsion under Chapter 37 of the Texas Education Code must be placed in a JJAEP.

Limited English Proficient (LEP): An English Language Learner whose overall English proficiency in listening, speaking, reading, and writing is at the Intermediate or Advanced stages; students at this level are able to understand and be understood in many to most social communication situations, are gaining increased competence in the more cognitively demanding requirements of content areas, but are not yet ready to fully participate in academic content areas without linguistic support.

Local Fund Assignment (LFA): The portion of the foundation program allotment required to be paid by school districts using the local property tax. The greater the property wealth of the district, the higher the LFA and the lower the amount of state aid the district will receive. (See also Foundation School Program)

Maintenance and Operations (M&O) Tax: A local school district property tax rate that raises revenue to be used for any legal purpose to operate and maintain the district's schools.

Meritorious Budget Award (MBA): The Meritorious Budget Award was designed by the Association of School Business Officials International and school business management professionals to enable school business administrators to achieve a standard of excellence in budget presentation. The program helps school systems build a solid foundation in the skills of developing, analyzing, and presenting a budget. The Meritorious Budget Award is only conferred to school systems that have met or exceeded the Meritorious Budget Award Program Criteria.

Modified Accrual Basis of Accounting: Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

National School Lunch Program (NSLP): A federally assisted meal program operating in more than 101,000 public and non-profit private schools across the nation. The program was established under the National School Lunch Act, signed by President Harry Truman in 1946.

Non-disciplinary Alternative Education Program (AEP): Many school districts establish non-disciplinary alternative education programs for dropout prevention and to address the unique needs of the small percentage of students who do not “fit” the traditional secondary schools. Districts must allocate to an AEP the same expenditure per student that would be allocated if the student were attending the regularly assigned program, including a special education program.

Public Education Information Management System (PEIMS): A data management system that includes information on student demographics, performance, school district budgets, teacher salaries, etc. The information for PEIMS is transmitted from local school districts to the Texas Education Agency by the education service centers.

Refined Average Daily Attendance (ADA): Refined ADA is based on the number of days of instruction in the school year. The aggregate eligible day’s attendance is divided by the number of days of instruction to compute the refined average daily attendance.

Rollback: Rollback is a taxpayer relief mechanism that allows local voters to contravene the school board’s maintenance and operations (M&O) tax rate if it exceeds a certain level. If the school board adopts an M&O tax rate that exceeds the rollback tax rate, the district must call an election so voters can determine whether to ratify the adopted tax rate. The rollback rate is equal to the tax rate that would provide the same local taxes and state aid per weighted average daily attendance as was available the previous year plus \$0.04. A tax rate that exceeds the rollback tax rate will automatically trigger an election to limit school taxes on a date not less than 30 days or more than 90 days after the tax rate is adopted. If the election to limit school taxes is successful, the tax rate the district may impose for the current year is limited to the calculated rollback tax rate.

School Board Authority: Statute gives local school boards the exclusive power and duty to govern and oversee the management of the public schools. Powers and duties not specifically delegated to the Texas Education Agency, or the State Board of Education, are reserved for local trustees.

State of Texas Assessment of Academic Readiness (STAAR): The State of Texas Assessment of Academic Readiness (STARR) assessment replaced the Texas Assessment of Knowledge and Skills (TAKS), in the 2011-2012 school year. STARR contains five (5) end-of-course exams required for graduation in addition to grade 3-8 assessments mandated by HB 3 in the 2009 legislative session. The tests are significantly more rigorous than previous tests and measure a child's performance as well as academic growth.

Teacher Retirement System (TRS): TRS delivers retirement and related benefits authorized by law for members and their beneficiaries.

Texas Academic Performance Reports (TAPR): Formerly known as the AEIS (Academic Excellence Indicator System) reports, pull together a wide range of information annually on the performance of students in each school and district in Texas. The reports also provide extensive information on staff, programs, and demographics for each school and district.

Texas Education Agency (TEA): The administrative and regulatory unit for the Texas public education system managed by the commissioner of education. TEA is responsible for implementing public education policies as established by the Legislature, State Board of Education, and commissioner of education.

Tier One: State guaranteed basic funding allotments per student.

Tier Two: State guaranteed revenues per student per penny of local tax effort to provide operational funding for an "enriched" education program.

Truth-in-Taxation: School districts are required to calculate two rates after receiving a certified appraisal roll from the chief appraiser—the effective tax rate and the rollback tax rate. School districts are not required to publish the effective tax rate but must publish the rollback rate in a public meeting notice. The school board must determine the effective tax rate and the rollback tax rate; decide how much revenue it needs to calculate the rate required to raise that amount; concurrently post a budget summary on its website and publish notice on the budget and proposed tax rate; hold a hearing on the budget and proposed tax rate; adopt a budget and then adopt the tax rate; and administer a rollback election if the adopted rate exceeds the rollback rate.

United State Department of Agriculture (USDA): A federal department, founded in 1862, that is responsible for administering the National School Lunch Program and reimbursing participating schools' Student Nutrition departments for the meals served to students. The USDA administers over 300 programs worldwide, including the School Breakfast Program, Child and Adult Care Food Program, and the Summer Student Nutrition Program.

Wealth per Student: In school finance, Wealth per Student is measured by dividing the taxable value of property, as determined under Section 11.86, Texas Education Code, by the number of students in Weighted Average Daily Attendance (WADA).

Weighted Average Daily Attendance (WADA): In Texas, students with special education needs are weighted for funding purposes to help recognize the additional costs of educating those students. Weighted programs include special education, career and technology, bilingual, gifted

and talented, and compensatory education. A weighted student count is used to distribute guaranteed-yield funding and establish Chapter 41 thresholds.