

**2022-2023
Proposed
Budget Book**



NEW CANEY ISD

For the Fiscal Year Ending

August 31, 2023

New Caney Independent School District
21580 Loop 494
New Caney, Texas 77357
newcaneyisd.org

TABLE OF CONTENTS

Budget Preparation Calendar	1
The Budgeting Process	2
Board of Trustees	3
Board Priority Goals.....	5
Organizational Chart.....	6
District Schools	7
Legal Requirements for Budgets	8
Description of Funds.....	9
Description of Programs	10
Enrollment and Demographics.....	12
Significant Factors in the 2023-2024 Budget Process	14
2023-2024 Revenue Projections	14
• Funding Sources	
• Changes in Taxable Base & Certified Taxable Amounts	
• Changes in Total Tax Rate	
• Total Operating Revenues	
2022-2023 General Fund Budget	17
• Current District Staffing	
• Additional Staffing for 2023-2024	
• Payroll	
• Contracted Services	
• Supplies & Materials	
• Other Operating Costs	
• Capital Outlay	
Expenditure Function Code	20
Expenditure Analysis by Object Code.....	21
2023-2024 Food Service Fund Budget.....	22
2023-2024 Debt Service Fund Budget	23
2023-2024 Proposed Budget by Fund and Function	24

BUDGET PREPARATION CALENDAR 2022-2023

Date	Action Planned for 2023-2024 Budget
Feb 3	Budget training with budget administrators and secretaries
Feb 6-27	Campus discussion regarding disposition of budget allocations and other budget requests. Campus/department site-based budget preparation committees prepare budget drafts.
Feb 28	Drafts of budget forms due to the Budget Department and data entry complete.
Feb 28-Mar 13	Campuses post drafts of budget documents Campus/department site-based budget preparation committees prepare and review final budget
Mar 15	Final versions of all campus-level approved budget documents and roster of budget preparation committee due to the Budget Department
March 21	General pay increase scenarios completed
April 17	Budget study workshop with Board of Trustees (tentative) and Preliminary Compensation Plan (employee salaries and stipends) presented to Board of Trustees as discussion item
April 24	Regular Board Meeting – Compensation plan presented to Board of Trustees for adoption including extra-duty and stipends
July 25	Deadline for chief appraiser to certify rolls to taxing units (refer to tax planning calendar)
Aug 9-21	Post in the paper “Notice of Public Meeting to Discuss Budget and Proposed Tax Rate”
Aug 14	Budget Study Workshop with Board of Trustees
Aug 21	Proposed budget/tax rate presented to the Board of Trustees for adoption

NEW CANEY INDEPENDENT SCHOOL DISTRICT

2023-2024 BUDGET

The following is a comprehensive discussion of the budget for the New Caney Independent School District for the 2023-2024 fiscal year.

The Budgeting Process

The budgeting process is comprised of four major phases: budget planning, site-based budget preparation, administrative evaluation and adjustment, and finally Board adoption. The budgetary process must begin with sound planning. Plans are based on Board-defined goals, with objectives and programs for attaining those goals defined by the district plan. Once these objectives and programs have been established, budgetary resource allocations are made to support them. Budgetary resource allocations are the preparation phase of budgeting. However, until plans have been established with goals and objectives, the allocations cannot be made.

Once a budget has been prepared it is then evaluated by administration for efficiency and effectiveness in attaining planned goals and objectives. Evaluation typically involves an examination of how funds are planned to be allocated as compared to how funds were expended in prior years. The outcomes that resulted from these prior-year expenditures are evaluated to determine to what degree these outcomes achieved the objectives stated during the prior-year planning phase. Following this review the budget is finalized.

The final stage of the budget process is presentation to the Board of Trustees for adoption consideration. The Board reviews the proposed budget in regard to achieving its targeted goals. Satisfied that the proposed budget attains these pre-defined goals, the proposed budget is discussed in an open public hearing and then adopted by the Board.

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, evaluation and allocation to achieve district goals.

Organization

The District is governed by seven school board trustees who are elected by position in November for rotating three-year terms. The Superintendent of Schools works closely with the executive team made up of seven executive directors to oversee and manage the day-to-day operations of the District. Principals report directly to the Executive Director of School Leadership and Learning. Directors report to the Executive Directors and the Executive Directors report directly to the Superintendent.

NEW CANEY ISD BOARD OF TRUSTEES

SCHOOL BOARD PRESIDENT



Ty Trout

SCHOOL BOARD VICE-PRESIDENT



Creg Mixon

SCHOOL BOARD SECRETARY



Elizabeth Harrell

SCHOOL BOARD ASSISTANT SECRETARY



Beth Prykryl

SCHOOL BOARD MEMBER



Chad Turner

SCHOOL BOARD MEMBER



Wendy Sharp

SCHOOL BOARD MEMBER



Angela Tompkins

SUPERINTENDENT OF SCHOOLS



Matt Calvert

NEW CANEY ISD BOARD PRIORITY GOALS

Priority 1

- Provide high-achieving, student-centered programs that produce graduates who are prepared to be contributing members to our community.

Priority 2

- Provide a safe and orderly setting that enhances the teaching and learning environment for students and staff.

Priority 3

- Provide resources to support current and future student-centered programs of the district while being responsible stewards of taxpayer funds.

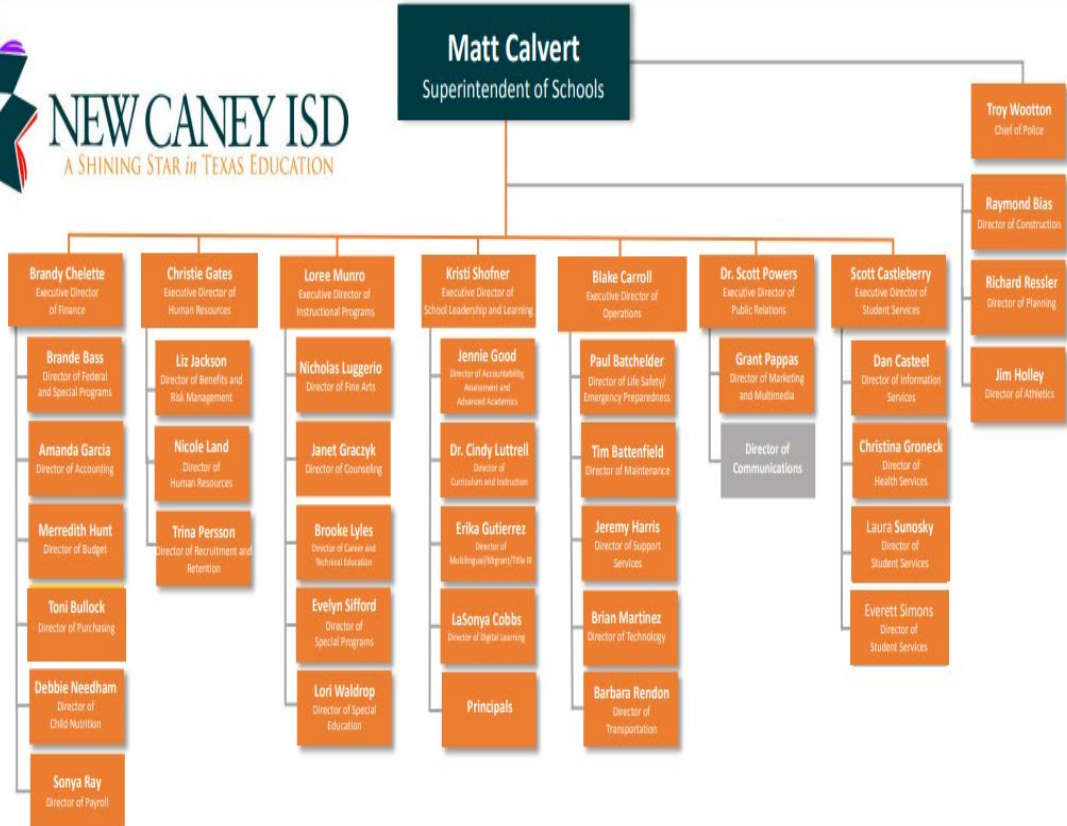
Priority 4

- Provide opportunities for parents and community members to support student achievement.

NEW CANEY ISD LEADERSHIP ORGANIZATIONAL CHART



NEW CANEY ISD
A SHINING STAR in TEXAS EDUCATION



- Existing Positions
- Current Need
- Future Need
- Vacant Position

NEW CANEY ISD 2022-2023 SCHOOL LIST

School Name	School Number	Grades Served
Bens Branch Elementary	111	PK-5
Crippen Elementary	106	PK-5
Dogwood Elementary	115	PK-5
Kings Manor Elementary	107	PK-5
New Caney Elementary	102	PK-5
Oakley Elementary	113	PK-5
Porter Elementary	101	PK-5
Sorters Mill Elementary	110	PK-5
Tavola Elementary	114	PK-5
Valley Ranch Elementary	109	PK-5
Brookwood Forest Elementary	116	PK-5
Keefer Crossing Middle School	042	6-8
Pine Valley Middle School	045	6-8
White Oak Middle School	041	6-8
Woodridge Forest Middle School	044	6-8
Infinity Early College High School	007	9-12
New Caney High School	001	9-12
Porter High School	006	9-12
West Fork High School	008	9-10
The Learning Center	002	1-12

LEGAL REQUIREMENTS FOR BUDGETING

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

- The Superintendent is the budget officer for the District and prepares or causes the budget to be prepared.
- The District budget must be prepared by a date set by the state board of education, currently August 20th for our District's fiscal year.
- The President of the Board of Trustees must call a public meeting of the Board, giving ten 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.
- 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.
- The budget must be prepared in accordance with GAAP (generally accepted accounting principles) and the state guidelines described below.
- Revised in 2009 the tax rate may be adopted before the adoption of the budget. However, if a district is not planning a tax rate election, the budget will be adopted before the adoption of the tax rate. If the tax levy exceeds the prior year levy an internet posting is required disclosing this fact and a resolution stating the same must be adopted by the Board. A school district must publish a revised notice and hold another public meeting before the district may adopt a tax rate that exceeds either the rate proposed in the notice prepared using the certified estimate of the Chief Appraiser, or the district's rollback rate using the certified appraisal roll.

The Texas Education Agency (TEA) has developed additional requirements for public school district budget preparation as follows:

- All budget amendments must be adopted by the Board of Trustees no later than the ending date of the budget year, currently August 31st for New Caney ISD.
- Minutes from district board meetings will be used by TEA to record adoption of and amendments to the budget.
- Budgets for the General Fund, the Food Service Fund, and the Debt Service Fund must be included in the official district budget. 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.

DESCRIPTION OF FUNDS

General Fund

The General Fund is defined as a governmental fund, with required Board budgetary control, which is used to show transactions resulting from operations of on-going organizations and activities. It is funded from a variety of revenue sources for which the fund balance is controlled by and retained for the discretionary use of the District. The general fund utilizes the modified accrual basis of accounting and comprises the majority of the total budget.

Debt Service Fund

The Debt Service Fund is a governmental fund, with Board Budgetary control, that must be used to account for general long-term debt principal and interest for debt issues and other long-term debts for which a tax has been dedicated. This fund's resources must be segregated and a separate bank account must be kept for this fund. Principal and interest payments for operating indebtedness including warrants, notes, and short-term lease-purchase agreements, are to be made from the fund for which the debt was incurred. This fund utilizes the modified accrual basis of accounting.

Special Revenue Funds

The Special Revenue Funds are governmental funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds typically are linked to grants awarded by state or federal agencies. Applications for grants must include budget information indicating how the funds will be expended. Acceptance of the grant funds implies expenditures will match the submitted budget. Special Revenue funds do not include expendable trusts and major capital projects. Special Revenue funds utilize the modified accrual basis of accounting.

Food Service Fund

The Food Service Fund is used for programs using federal reimbursement revenue originating from the United States Department of Agriculture (USDA). The Food Service Fund for New Caney ISD is considered a special revenue fund with required Board budgetary control because it meets the criteria regarding user fees and charges, and the General Fund may subsidize the Food Service Fund for all amounts required in excess of the National School Lunch Program reimbursements and user fees.

Capital Projects Fund

The 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 for capital projects otherwise mandated to be accounted for in this fund. The capital projects fund utilizes the modified accrual basis of accounting.

DESCRIPTION OF PROGRAMS

Basic (Regular) Education (Intent Code 11)

This program is used to identify costs for expenditure function 11 (instruction) and other expenditure functions for which operational costs can be specifically identified with the regular instructional program. The term “basic” is defined as the curriculum provided for those students that are not in special education that emphasizes literacy in language, mathematics, science, history and related social studies and other subject areas excluding vocational. Basic educational services also include the costs to evaluate, place, and provide educational services to student in honors, college preparatory and advanced placement courses. All enrolled students are entitled to basic education services.

Gifted and Talented Education (Intent Code 21)

This program is used to identify costs for expenditure function 11 and other applicable expenditure functions for academic programs established for students who have been identified as functioning at a higher intellectual level and/or possessing talents exceeding those normally exhibited by the majority of the student population. Gifted and Talented educational services include the costs incurred to assess students for program placement and provide instructional services designed to meet the needs of these students beyond the basic educational program.

Career and Technology (Vocational) Education (Intent Code 22)

This program is used to identify costs for expenditures that can be specifically identified with those vocational education programs approved by the Texas Education Agency. Career and Technology educational services includes the costs incurred to evaluate, place and provide educational and/or other services to prepare students for gainful employment, advanced technical training or for homemaking. This may include apprenticeship and job training activities.

Services to Students with Disabilities (Special Education) (Intent Code 23)

This program is used to identify costs for expenditures that can be specifically identified with the instruction and related services for those programs approved by the Texas Education Agency for students with disabilities. Programs are designed for children with special needs incorporating distinctive techniques, materials, and arrangements suited to their learning needs. Approved programs must be organized and operated within the instructional arrangements provided by rules of the State Board of Education and the Federal IDEA laws. Special education services includes the costs incurred to evaluate, place, and provide educational and/or other services to students who have Individual Educational Plans (IEP) approved by Admission, Review and Dismissal (ARD) committees. These plans are based on students’ disabilities and the continued reassessment of those students’ needs.

Accelerated (Compensatory) Education (Intent Code 24, 26, 28 and 30)

This program is used to identify costs for expenditures that can be specifically identified with the instructional strategies to provide services in addition to those provided at the basic level of instruction. Accelerated education seeks to provide a challenging and meaningful instructional program to close the achievement gap between children at risk of dropping out of school and their peers by increasing the amount and quality of instructional time for students at risk of dropping out of school. Accelerated education services are those costs attributed to activities that supplement the regular education program for students at risk of dropping out of school.

Bilingual/ESL Education (Intent Code 25)

This program is used to identify costs incurred to evaluate, place, and provide educational and/or other services that are intended to make student proficient in the English language, primary language literacy, composition and

academic language related to required courses. These services include the bilingual basic program of instruction and special assistance to increase cognitive academic language proficiencies in English.

Prekindergarten (pre-K) – Special Education (Intent Code 33)

For costs incurred to evaluate, place and provide educational and/or other services to pre-K students that require special education services.

Early Education Allotment (Intent Code 36)

This code is used for the costs incurred for programs and services designed to improve student performance in reading and mathematics in prekindergarten through third grade, including programs and services designed to assist the school district in achieving the goals set in the school district’s early childhood literacy and mathematics proficiency plans adopted under the TEC, §11.185.

Dyslexia (Intent Code 37)

This code is used for the costs incurred for each student that a school district serves who has been identified as having dyslexia or a related disorder under the TEC, §48.103, and the services are not funded from the dyslexia state allotment.

College, Career, and Military Readiness (Intent Code 38)

This code is used for the costs incurred to improve college, career, and military readiness outcomes as described by the TEC, §48.110(f). At least 55 percent of the funds allocated must be used in grades eight through 12.

Athletics and Related Activities (Intent Code 91)

This program is used to record the costs incurred to provide for participation in competitive activities such as football, volleyball, basketball, baseball, softball, soccer, golf, swimming, tennis, track, etc. This includes costs associated with coaching as well as sponsors for cheerleader or any other organized activity to support athletics.

Undistributed (Intent Code 99)

Costs not easily identified with other codes used here, such as certain substitute teachers, teacher on-behalf payments, salaries for band, etc.

ENROLLMENT AND DEMOGRAPHICS

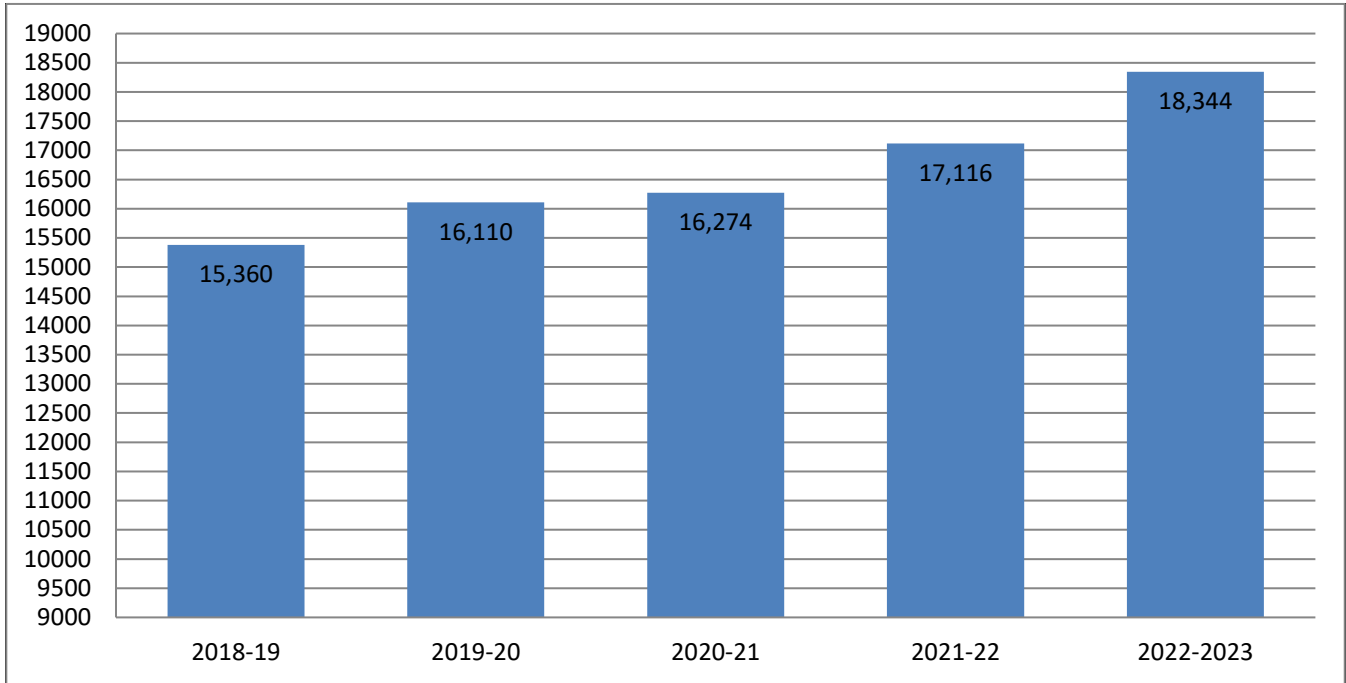
Enrollment Continues to Increase

Enrollment continued to climb in the 2022-23 school year as New Caney ISD continued to focus on meeting the needs of its current 18,344 (Fall Snapshot) students. Overall, enrollment grew by approximately 1,228 students over the last year.

Grade	Porter Elem	New Caney Elem	Brookwood Elem	Tavola Elem	Dogwood Elem	Crippen Elem	Kings Manor Elem	Valley Ranch Elem	Sorters Mill Elem	Bens Branch Elem	Oakley Elem	Pine Valley MS	Keefer Crossing MS	White Oak MS	Woodridge Forest MS	New Caney HS	Porter HS	West Fork HS	All Other
12 th																477	521		98
11 th																534	594		131
10 th																646	685		118
9 th																771	409	363	136
8 th												269	435	275	434				21
7 th												259	411	289	413				11
6 th												248	367	270	441				6
5 th	112	90	147	116	127	132	108	133	112	126	134								6
4 th	105	106	160	130	128	114	112	114	109	97	144								2
3 rd	108	89	151	135	113	126	110	127	104	124	108								
2 nd	115	94	146	128	120	133	125	129	99	102	119								
1 st	126	98	147	157	103	135	118	129	111	115	129								
KG	136	84	106	136	110	147	103	127	93	96	108								
PK & EE	90	81	85	74	75	71	67	71	51	65	99								
TOTALS	792	642	942	876	776	858	743	830	679	725	841	776	1,213	834	1,288	2,428	2,209	363	529

Student enrollment for 2023-2024 is projected to increase by 4.5% above the prior year. The website to review the history of New Caney ISD student enrollment is the TEA website with Standard Reports at <https://rptsvr1.tea.texas.gov/adhocrpt/Standard Reports.html>. Once at this location choose standard reports/student enrollment/Selected District Totals by District Number and enter 170908.

Enrollment Growth (As of Snapshot)



Change in Student Demographics

An important aspect to budget planning is the demographic change in the student enrollment. The change in the composition of the student enrollment significantly added to annual district costs. Many of these students require bilingual services and supplemental programs providing specialized instruction and frequently smaller class sizes.

Student Ethnicity Percentage (As of Snapshot)

	2018-19	2019-20	2020-21	2021-22	2022-23
American Indian or Alaska Native	0.21%	0.35%	0.34%	0.37%	0.37%
Asian	1.95%	1.91%	1.89%	1.87%	1.60%
Black or African American	3.69%	3.82%	4.39%	5.59%	6.95%
Hispanic	59.60%	60.55%	61.99%	62.14%	63.18%
White	32.17%	31.01%	28.86%	27.30%	25.88%
Native Hawaiian/Other or Pacific Islander	0.24%	0.24%	0.18%	0.20%	0.20%
Two or More Races	2.02%	2.12%	2.34%	2.54%	2.39%

SIGNIFICANT FACTORS INFLUENCING BUDGET PROCESS

There are several factors influencing the preparation of the budget. Many factors are essential to budget preparation and planning. Legislation, Enrollment/Attendance, Federal Funding, Recruitment/Retention, and Property Values and just a few. The significant factors which influenced the 2023-2024 budget process are the following:

- The District is continuing to deal with enrollment growth of approximately 4.5% from 2022 to 2023. The increase in staffing directly related to enrollment growth and student/teacher ratios creates an impact on the district's budget.
- While the local taxable values are expected to increase the tax rate will decrease. The projected increase in taxable value in comparison from the 2022-2023 budget is approximately 12.55%. The maintenance and operation tax rate is compressed by \$.1855 per \$100 valuation.
- The District's School Board approved a 4% GPI for all staff.

2023-2024 REVENUE PROJECTIONS

Funding Sources

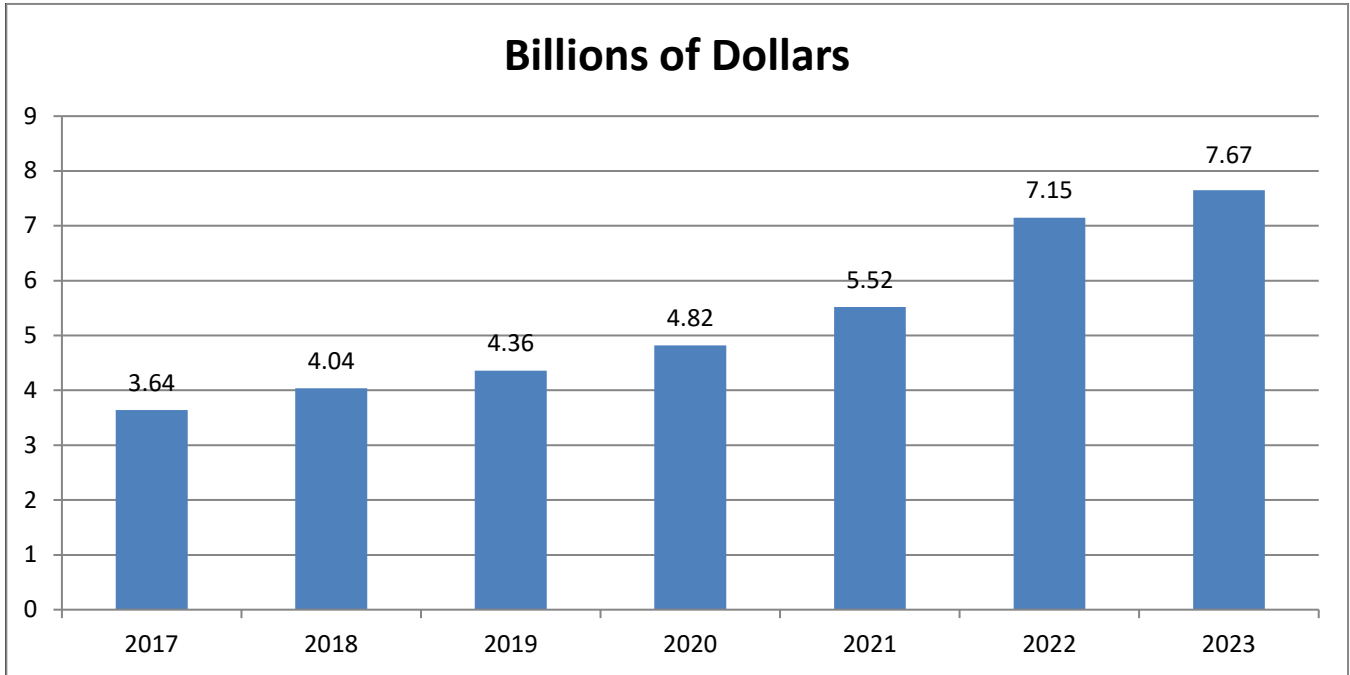
The two major sources of revenue for New Caney ISD are local property taxes and state funding. The tax rate set on the assessed taxable value determines the amount of local property tax revenue for the district. The assessed values are determined by the Montgomery County Appraisal District (MCAD). The factors influencing state funding are average daily attendance, property tax collections, comptroller property values, and special program counts.

Changes in the Taxable Base and Preliminary Taxable Values

The County Appraisal District is required by law to provide taxable values on two different occasions during the school district budget preparation time period. The first of these values is a *Preliminary Taxable Values* due on or before April 30th.

The Certified Taxable Values for 2023 were received July 25th from the Chief Appraisers. The value increased from the prior year to \$7,729,546,826. The district is using a taxable value of \$7,671,696,781 to account for properties under review. The values are used to finalize the budget for local property tax revenues and state funding calculations.

Certified Taxable Values



Property Values and Tax Rates

M&O tax rates for tax year 2023 will continue to be compressed using state and/or local compression percentage rates. Beginning with the 2019 tax year, school districts are required to reduce the tier one tax rate as defined under Section 45.0032, Education Code as well as any tax rate compression required to be applied to the enrichment tax rate under Section 48.202(f), Education Code. The district prepared the 2023-2024 budgets with a preliminary tax rate of \$1.2575 per \$100 property valuation which represents a decrease of \$0.1855. The General Fund (M&O) rate will be compressed to \$0.7575 and the Debt Service (I&S) rate will remain \$0.50.

Operating Revenue

The spreadsheet below compares actual audited data from prior years to the 2022-2023 estimates and the 2023-2024 projected revenues. The chart shows a decrease in local tax revenue due to M&O tax rate compression and increase in homestead exemption and an increase in state funding due to the increase in average daily attendance and hold harmless for tax compression. The total M&O revenue is \$201,791,757 which is approximately 14% higher than the previous year.

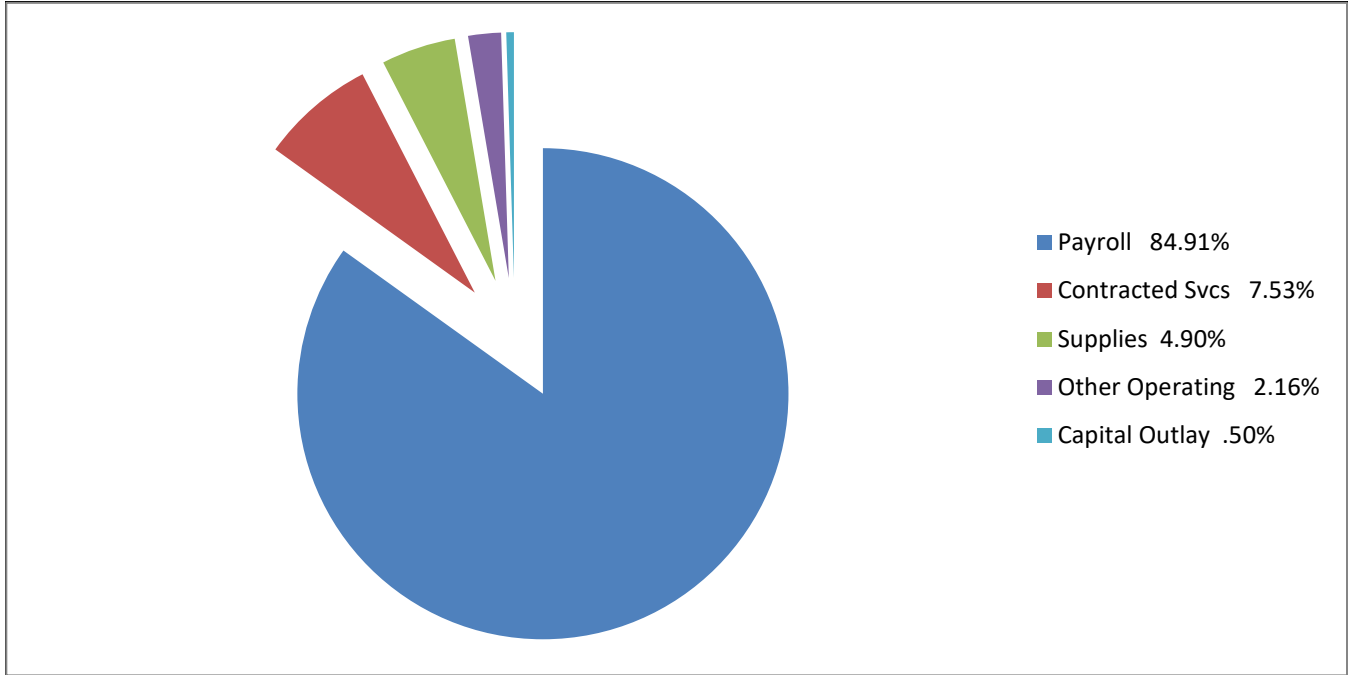
New Caney Independent School District

REVENUE

Description	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
	Actuals	Actuals	Actuals	Actuals	Estimated	Projected
Average Daily Attendance	14,310.339	14,678.366	14,745.136	15,808.250	16,522.000	17,433,000
% change from prior year	2.61%	2.57%	0.45%	7.21%	4.52%	5.51%
GENERAL FUND						
Local Revenue	54,816,127	54,225,534	53,997,795	58,581,844	74,337,558	62,536,737
% of Fund Revenue	35.90%	32.82%	31.14%	32.11%	37.75%	30.99%
State Revenue	94,800,120	109,176,863	112,054,657	118,480,233	117,445,326	137,105,020
% of Fund Revenue	62.09%	66.08%	64.61%	64.94%	59.65%	67.94%
Federal Revenue	3,072,806	1,825,277	2,654,582	4,947,212	5,116,896	2,150,000
% of Fund Revenue	2.01%	1.10%	1.53%	2.71%	2.60%	1.07%
Other Revenues	0	0	4,718,975	450,087	0	-
% of Fund Revenue	0.00%	0.00%	2.72%	0.25%	0.00%	0.00%
GENERAL FUND Total Revenue	152,689,053	165,227,674	173,426,009	182,459,376	196,899,780	201,791,757
per ADA pupil revenue	10,670	11,257	11,762	11,542	11,917	11,575
% Change from Prior Year per Pupil	4.59%	5.50%	4.49%	-1.87%	3.25%	-2.87%
DEBT SERVICE						
Local Revenue	21,774,280	23,501,503	26,529,974	29,702,231	38,566,985	39,788,557
% of Fund Revenue	67.37%	50.72%	17.02%	95.17%	58.36%	90.35%
State Revenue	5,794,678	4,272,556	2,643,268	1,507,713	1,000,000	4,250,054
% of Fund Revenue	17.93%	9.22%	1.70%	4.83%	1.51%	9.65%
Other Revenues	4,753,482	18,564,751	126,703,692	-	26,512,558	-
% of Fund Revenue	14.71%	40.06%	81.28%	0.00%	40.12%	0.00%
DEBT SERVICE Total Revenue	32,322,440	46,338,810	155,876,934	31,209,944	66,079,543	44,038,611
per ADA pupil revenue	2,259	3,157	10,571	1,974	3,999	2,526
% Change from Prior Year per Pupil	19.05%	39.77%	234.86%	-81.32%	102.58%	-36.84%
FOOD SERVICE						
Local Revenue	2,166,732	1,453,896	750,944	1,077,631	2,282,229	2,102,000
% of Fund Revenue	22.69%	18.94%	7.61%	7.44%	15.38%	15.79%
State Revenue	255,486	313,530	290,873	288,543	378,633	365,000
% of Fund Revenue	2.68%	4.08%	2.95%	1.99%	2.55%	2.74%
Federal Revenue	7,127,537	5,663,737	8,683,531	13,056,259	11,403,274	10,841,470
% of Fund Revenue	74.64%	73.78%	88.01%	90.08%	76.87%	81.46%
Other Revenue	-	245,600	141,000	71,500	770,000	-
% of Fund Revenue	0.00%	3.20%	1.43%	0.49%	5.19%	0.00%
FOOD SERVICE Total Revenue	9,549,755	7,676,763	9,866,348	14,493,933	14,834,136	13,308,470
per ADA pupil revenue	667.33	523.00	669.13	916.86	897.84	763.41
% Change from Prior Year per Pupil	0.85%	-21.63%	27.94%	37.02%	-2.07%	-14.97%

2023-2024 GENERAL FUND BUDGET

The 2022-23 estimated ending General Fund expenditures is \$195,697,660 which is 15% more than the 2021-22 audited actual. The 2023-24 proposed General Fund expenditure budget is \$201,791,757, which is 3% higher than the 2022-23 estimated ending General Fund expenditures. The budget is divided into five major expenditure categories, with these categories called *object codes* in school district accounting.



The object codes indicate expenses in payroll, contracted services, supplies and materials, other operating costs, and capital outlay. Education is a highly service oriented business; therefore, payroll costs have a high percentage when compared to total expenditures. As can be seen in the chart above, payroll is the largest portion of the general fund budget and is 84.91% of total expenditures.

Current District Staffing

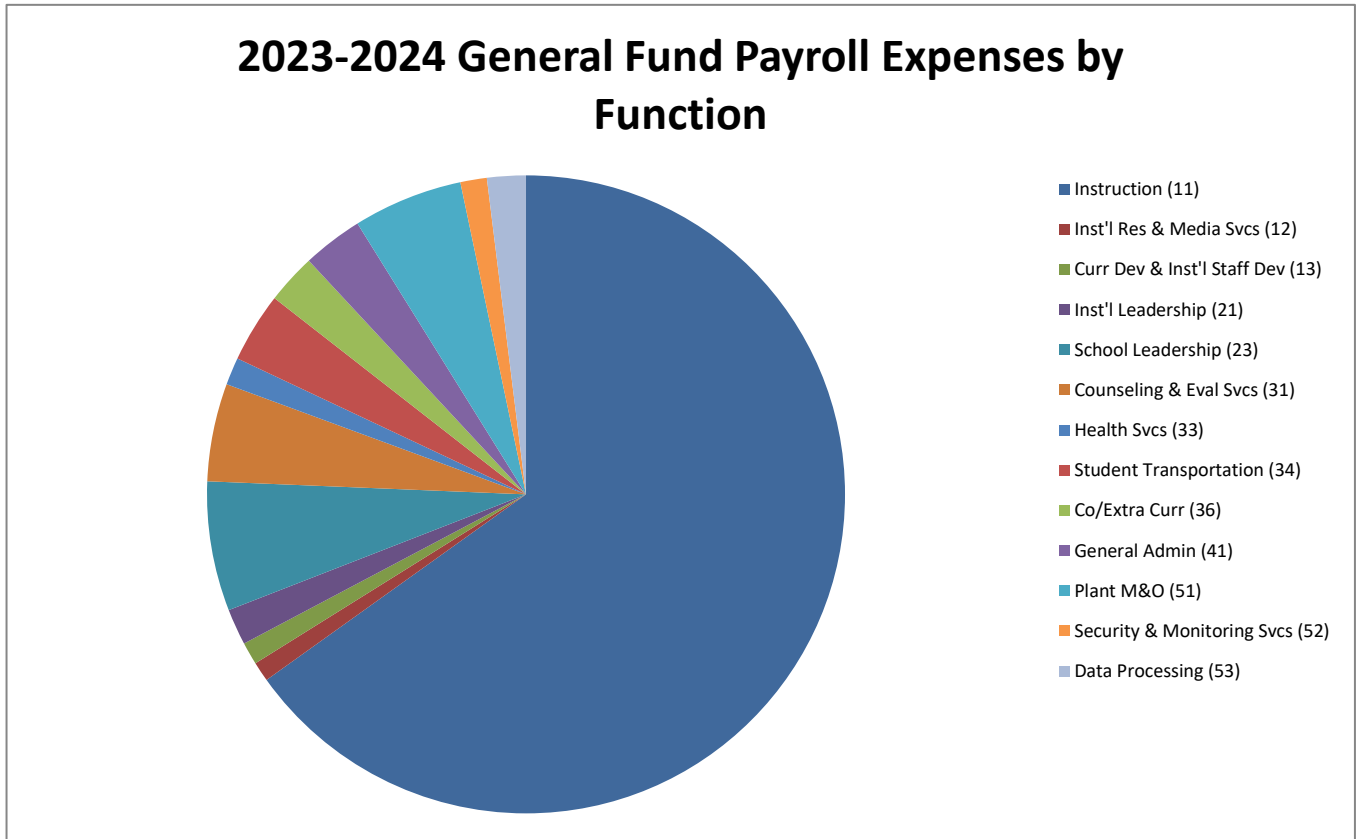
The district currently has 2,856 employees. Staff is comprised of 218 (7.63%) administrators, 189 (6.62%) professional support, 1,335 (46.74%) teachers, 320 (11.20%) instructional aides, 181 (6.34%) administrative support, 35 (1.23%) campus safety and 578 (20.24%) auxiliary employees.

Payroll Overall (Object Code 6100)

New Caney ISD strives to remain in the top quartile with our competition in terms of teacher's salary. The Human Resource department reviews neighboring district salaries in all pay grades to consider any shifts in the market. Based on the market, it was recommended by the administration that the Board of Trustees adopt a compensation plan with a 4% general pay increase and a \$63,000 starting teacher pay. The board adopted the compensation plan in April 2023.

The payroll budget for 2023-2024 is \$171,350,876 and is 11.12% higher than 2022-2023 adopted payroll budget. Salaries for instructional staff are 65.14% of the total payroll costs.

Accounting for Texas schools provides further detail about the purpose of an expense with function codes. We can see that the greatest concentration of payroll expense exists in the areas of Instruction, School Leadership, Plant Maintenance and Operations, Counseling, Student Transportation, and General Administration by examining the payroll in detail by function code.



Contracted Services (Object Code 6200)

This major account classification is used to record expenditures/expenses for services rendered to the school district by firms, individuals, and other organizations. This classification is the second largest expenditure group and accounts for \$15,207,148 or 7.53% of the total operating budget.

The largest component cost is utilities, which is 37.33% of the total. Utility costs for the 2023-2024 fiscal year are budgeted at \$5,577,400. Other costs that would be included in Contracted Services would be the cost of independent auditors, consultants, attorneys, and appraisal districts.

Supplies and Materials (Object Code 6300)

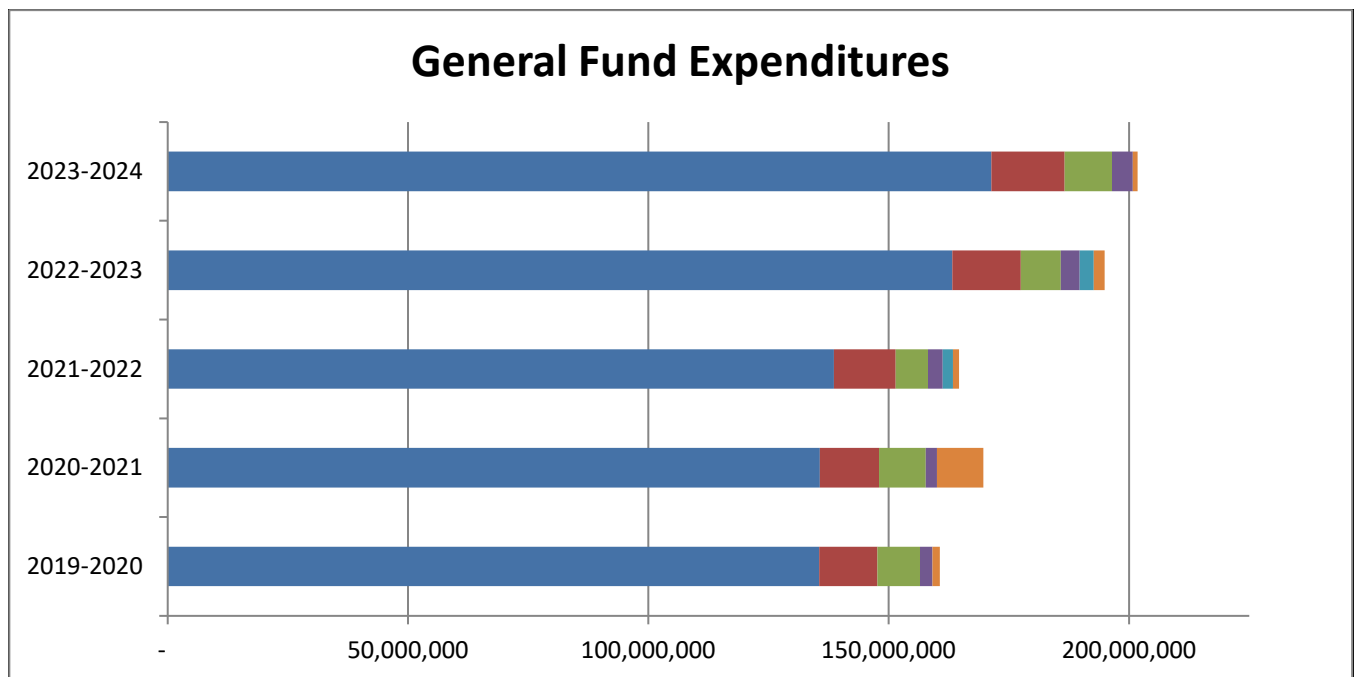
This major classification includes all expenditures/expenses for supplies and materials and is the third largest expenditure group, which accounts for 4.89% of the total operating budget. The total amount budgeted for Supplies and Materials is \$9,877,515.

Other Operating Costs (Object Code 6400)

This major classification is used to classify expenditures/expenses for items other than Payroll Costs, Contracted Services, Supplies and Materials, Debt Service, and Capital Outlay that are necessary for the operation of the school district. This expenditure class accounts for \$4,362,353 or 2.16% of the total operating budget and is primarily composed of costs related to student and staff travel and property and casualty insurance.

Capital Outlay (Object Code 6600)

This major classification is used to classify expenditures for capital assets. Total capital outlay budgeted for 2023-2024 is \$993,865 or 0.51% of the total operating budget.



2023-2024 EXPENDITURE BUDGET BY FUNCTION

11 Instruction	\$116,779,673	57.87%
12 Instructional Resources & Media	1,957,163	.97%
13 Curriculum & Staff Development	2,748,061	1.36%
21 Instructional Leadership	3,362,010	1.67%
23 School Leadership	11,639,347	5.77%
31 Guidance, Counseling, & Evaluation	8,596,033	4.26%
33 Health Services	2,566,408	1.27%
34 Student Transportation	8,752,499	4.34%
36 Extracurricular Activities	7,984,742	3.96%
41 General Administration	8,065,736	4.00%
51 Plant Maintenance & Operations	20,111,351	9.97%
52 Security & Monitoring Services	3,212,149	1.59%
53 Data Processing Services	5,028,585	2.49%
61 Community Services	0.00	0.00%
71 Debt Service	125,000	0.06%
81 Facilities Acquisition and Construction	0.00	0.00%
95 JJAEP	45,000	0.02%
99 Intergovernmental Charges	818,000	0.41%
TOTAL	201,791,575	100.00%

Function 11, direct instruction of students, is the largest single cost totaling 57.87% of the total operating budget, with function 51, plant maintenance and operations, being the second largest cost totaling 9.97% of the total budget. This function includes costs associated with building maintenance and repairs and lighting of facilities. School leadership (function 23) includes the costs for student and staff management at the campus level. This function totals 5.77% of the total budget.

Functions are classified by code in five general categories. Instruction is made up of function codes beginning with a "1" and is 60.20% of the total budget. Campus and Instruction Administration is the function codes beginning with a "2" and is 7.43% of the total budget. Student Support is the function codes beginning with a "3" and totals 13.83% of the total budget. General Administration is the single function code beginning with a "4" and makes up 4.00% of the total budget. Non-Student Support is made up of the function codes beginning with a "5" and is 14.05% of the total budget. Other less significant function codes beginning with a "6, 7,8, or 9" only comprise 0.49% of the total budget.

New Caney Independent School District

Expenditures

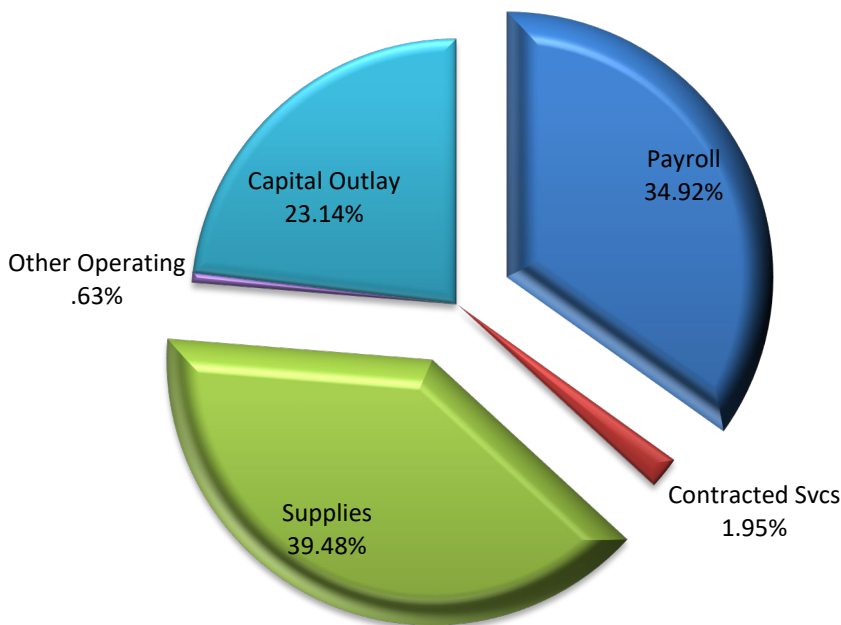
Description		2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
		Actuals	Actuals	Actuals	Actuals	Estimate Budget	Projected
Average Daily Attendance		14,310.339	14,678.366	14,745.136	15,808.250	16,522.000	17,433.000
% change from prior year		7.72%	2.57%	0.45%	7.21%	4.52%	5.51%
GENERAL FUND							
Payroll Costs	61XX's	124,543,227	135,553,715	135,657,955	138,620,890	163,210,160	171,080,876
per ADA Pupil Costs		8,703.02	9,234.93	9,200.18	8,768.90	9,878.35	9,813.62
% of Fund Expenditures		84.92%	84.27%	79.95%	84.21%	83.40%	84.78%
Professional & Contracted Services	62XX's	13,096,468	12,107,592	12,352,461	12,819,276	14,253,877	15,207,148
per ADA Pupil Costs		915.18	824.86	837.73	810.92	862.72	872.32
% of Fund Expenditures		8.93%	7.53%	7.28%	7.79%	7.28%	7.54%
Supplies & Materials	63Xx's	5,565,721	8,848,716	9,694,933	6,696,651	9,087,201	9,877,515
per ADA Pupil Costs		388.93	602.84	657.50	423.62	550.01	566.60
Function % of Fund Expenditures		3.80%	5.50%	5.71%	4.07%	4.64%	4.89%
Other Operating Costs	64XX's	2,649,350	2,569,239	2,351,426	3,072,870	3,500,629	4,632,353
per ADA Pupil Costs		185.14	175.04	159.47	194.38	211.88	265.72
Function % of Fund Expenditures		1.81%	1.60%	1.39%	1.87%	1.79%	2.30%
Debt Service	65XX's	0	0	0	2,137,577	2,924,289	-
per ADA Pupil Costs		-	-	-	135.22	176.99	-
% of Fund Expenditures		0.00%	0.00%	0.00%	1.30%	1.49%	0.00%
Capital Assets	66XX's	798,109	1,522,373	9,624,325	1,262,992	1,951,504	993,865
per ADA Pupil Costs		55.77	103.72	652.71	79.89	118.12	57.01
% of Fund Expenditures		0.54%	0.95%	5.67%	0.77%	1.00%	0.49%
Other Uses	89XX's	0	245,600	0	0	770,000	993,865
per ADA Pupil Costs		-	16.73	-	-	46.60	57.01
% of Fund Expenditures		0.00%	0.15%	0.00%	0.00%	0.39%	0.49%
GENERAL FUND EXPENDITURES		146,652,875	160,847,235	169,681,100	164,610,256	195,697,660	201,791,757
per ADA Pupil Costs		10,248.04	10,958.12	11,507.60	10,412.93	11,844.67	11,575.3
% Change from Prior Year per Pupil Costs		4.17%	6.93%	5.01%	-9.51%	13.75%	-2.27%
DEBT SERVICE EXPENDITURES		27,957,394	29,608,718	156,025,224	30,941,032	58,231,981	44,038,611
per ADA Pupil Costs		1,953.65	2,017.17	10,581.47	1,957.27	3,524.51	2,526.16
% Change from Prior Year per Pupil Costs		1.04%	3.25%	424.57%	-81.50%	80.07%	-28.33%
FOOD SERVICE EXPENDITURES		9,549,755	7,431,162	8,579,332	10,872,921	13,030,942	17,688,017
per ADA pupil costs		667.33	506.27	581.84	687.80	788.70	1,014.63
% Change from Prior Year per Pupil Costs		2.80%	-24.14%	14.93%	18.21%	14.67%	28.65%

FOOD SERVICE BUDGET

The total proposed Child Nutrition/Food Service budget for 2023-2024 is \$13,308,470 for revenue and \$17,688,017 for expenditures. Various revenues from local, state, and federal sources usually fully fund this budget. Local revenue from local meal charges will generate \$1,827,000 or 13.73% of the funding for this department. Federal child nutrition funds for subsidized free and reduced meal costs will pay \$10,051,000, or 75.53%, of the costs for this department. Other state matching funds, misc. local, and TRS on-behalf payments of \$1,430,470 will bring the total to \$13,308,470 in total revenue.

The cost of food is the largest expense in the food service budget totaling \$6,395,470 or 36.6% of the total budget. Payroll is the second largest expense at \$6,169,755 or 34.92% of the budget. Other expenses included in the Food Service budget are contracted services, miscellaneous operating expenses, and capital outlay. These account for the remaining 28.48% of the total budget. Budgeted appropriations for Food Service total \$17,688,017.

Food Service	2023-2024
Payroll	\$6,169,755
Contracted Services	\$ 344,042
Supplies & Materials	\$6,974,720
Other Operating Exp.	\$ 111,000
Capital Outlay	\$4,088,500
TOTAL	\$17,688,017



DEBT SERVICE BUDGET

The Debt Service Fund is used to account for the accumulation of resources for the payment of general long-term debt principal and interest. For 2023-2024, the total amount budgeted for these payments is \$44,038,611. A separate tax rate is assessed to fund the debt payments based on the scheduled maturities. This debt tax rate, called the Interest and Sinking (I&S) tax rate, is approved by the Board of Trustees annually. The proposed Interest and Sinking tax rate for 2023-2024 is \$0.50.

Revenue from property taxes, interest and state funding will be used to pay the 2023-2024 debt payments. Revenue is projected to be \$44,038,611.

COPY AND PASTE THE LINK BELOW FOR DEBT TRANSPARENCY

<https://basefund.com/pece8pdnl/1024/transparency>

2023-2024 PROPOSED BUDGET

	GENERAL FUND	CHILD NUTRITION FUND	DEBT SERVICE FUND	TOTAL FUNDS 2023-2024	
	199	240	599	Budget	%
REVENUES					
5700 Local Revenues	\$62,536,737	\$2,102,000	\$44,038,611	\$108,677,348	93.06%
5800 State Revenues	137,105,020	365,000	0	\$137,470,020	117.72%
5900 Federal Revenues	2,150,000	10,841,470	0	\$12,991,470	11.12%
TOTAL REVENUES	\$201,791,757	\$13,308,470	\$44,038,611	\$259,138,838	221.90%
EXPENDITURES					
11 Instruction	\$116,779,673	\$0	\$0	\$116,779,673	44.32%
12 Instructional Resources and Media Services	1,957,163	0	0	\$1,957,163	0.74%
13 Curriculum Development & Instructional Staff Development	2,748,061	0	0	\$2,748,061	1.04%
21 Instructional Leadership	3,362,010	0	0	\$3,362,010	1.28%
23 School Leadership	11,639,347	0	0	\$11,639,347	4.42%
31 Guidance, Counseling & Evaluation Services	8,596,033	0	0	\$8,596,033	3.26%
33 Health Services	2,566,408	0	0	\$2,566,408	0.97%
34 Student (Pupil) Transportation	8,752,499	0	0	\$8,752,499	3.32%
35 Food Service	0	17,638,017	0	\$17,638,017	6.69%
36 Cocurricular/Extracurricular Activities	7,984,742	0	0	\$7,984,742	3.03%
41 General Administration	8,065,736	0	0	\$8,065,736	3.06%
51 Plant Maintenance & Operations	20,111,351	50,000	0	\$20,161,351	7.65%
52 Security and Monitoring Services	3,212,149	0	0	\$3,212,149	1.22%
53 Data Processing Services	5,028,585	0	0	\$5,028,585	1.91%
61 Community Services	0	0	0	\$0	0.00%
71 Debt Service	125,000	0	44,038,611	\$44,163,611	16.76%
95 Juvenile Justice Alternative Ed Prog.	45,000	0	0	\$45,000	0.02%
99 Other Intergovernmental Charges	818,000	0	0	\$818,000	0.31%
TOTAL EXPENDITURES	\$201,791,757	\$17,688,017	\$44,038,611	\$263,518,385	100.00%
EXCESS (DEFICIENCY)					
Of Revenues & Other Resources					
Over (Under) Expenditures and Other Uses	0	(4,379,547)	0	(4,379,547)	
Beginning Fund Balance	61,691,373.00	7,108,485.00	14,830,431.00	83,630,289.00	
Ending Fund Balance	61,691,373.00	2,728,938.00	14,830,431.00	79,250,742.00	