

# 2018-2019 APPROVED BUDGET

*For the Fiscal Year Ending June 30, 2019*



615 W. Missouri Ave  
Midland, TX 79701  
[www.midlandisd.net](http://www.midlandisd.net)

# 2018-2019 APPROVED BUDGET

*For the Fiscal Year Ending June 30, 2019*

## **BOARD OF TRUSTEES**

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James Fuller, Secretary  
Bryan Murry, Trustee  
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James Rigger, Chief Operating Officer  
Darla Moss, Chief Financial Officer  
Dr. Elise Kail, Chief Transformation Officer  
Woodrow Bailey, Chief of Human Capital Management

## **PREPARED BY**

Darla Moss, Chief Financial Officer  
Carla Martin, Director of Financial Services  
Tony Kingman, Budget Coordinator  
Arturo Valenzuela, Controller

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## EXECUTIVE SUMMARY

### Mission Statement

All students will graduate prepared and ready for college or career.

### School Board's Student Outcome Goals

- The percentage of students in kindergarten–grade 2 who are reading on or above grade level on two measures shall increase from 50 percent to 75 percent by the end of the school year 2020.
- The percentage of students in grades 3–8 who meet standards on both reading and mathematics STAAR shall increase from 52 percent to 75 percent by the end of the school year 2020.
- The four-year graduation rate shall increase from 85 percent for the graduating class of 2015 (reported in November 2016) to 95 percent for the graduating class of 2020 (reported in November 2021).

### Budget Document Purpose

The following presentation has been prepared to provide general information about Midland Independent School District (MISD)'s Budget for the 2018-19 fiscal year. The budget is developed as a direct result of information gathered from departments, campuses, administrative staff, the Superintendent, and the Board of Trustees. In addition, historical trends and statistics assist administrative staff in determining projected outcomes that may impact relevant factors that determine the funding levels and related expenses of a specific fund. The budget provides the financial resources necessary to improve the instructional environment for all students, to continue offering a competitive salary & benefits package to employees and to operate our campuses. Additional information may be available within the district's Board Policies, Administrative Procedures, additional manuals, or other web resources.

### Budget Document Sections

Midland ISD's budget is organized into three major sections: *Introductory*, *Financial*, and *Informational*. All sections assist the reader in understanding all areas that determine the annual budget of Midland Independent School District.

The **INTRODUCTORY SECTION** provides an overview of the budget document for the 2018-2019 fiscal year.

The **FINANCIAL SECTION** contains the budget for the 2018-2019 fiscal year. This section provides substantial budget data for the General Fund, School Nutrition Fund, and Debt Service Fund. This section also provides to the reader key financial trends and the direct impact on the District's fund balance.

The **INFORMATIONAL SECTION** is the final section of the budget document. This section provides relevant information to the budget such as: enrollment data, tax values, financial accountability information and additional information.

## INTRODUCTORY SECTION

A public hearing on the budget was held on June 18, 2018 at 5:30 P.M. in the auditorium of the Bowie Fine Arts Academy, 805 Elk Street, Midland, TX, as required by State law. Notice was provided as required by Section 44.003 of the Texas Education Code (TEC). In addition, the District concurrently posted a summary of the budget on the MISD website as required by Section 44.0041 of the TEC.

### Budget Highlights

The 2018-2019 budget includes the General, Food Service, and Debt Service Funds. The total revenues for these funds are \$284,055,200 and the total expenditures are \$281,460,792.

The annual budget serves as the foundation for the District’s financial planning for the 2018-2019 fiscal year. MISD maintains control throughout all of its financial systems in order to ensure compliance with legal provisions embodied in the appropriations approved by the Board.

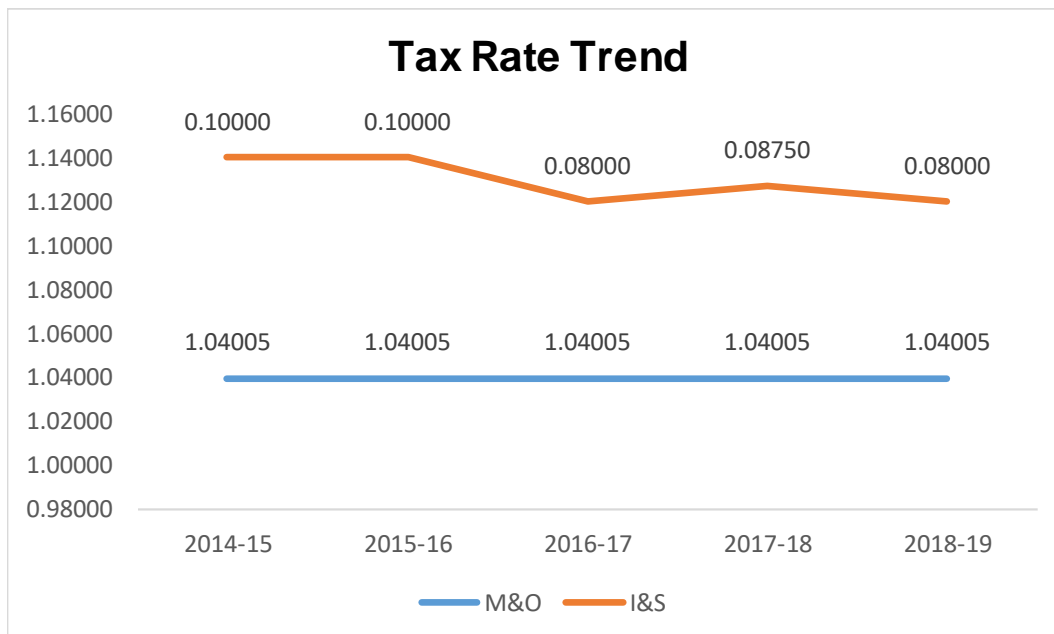
### Major Goals and Objectives of Budget Process

The following major goals and objectives have driven the budget process so that the focus remains on the education of our students:

- Provide curriculums and opportunities for all students to exceed their educational goals
- Provide essential resources to reach the goals established in all campus improvement plans as well as the District improvement plan
- Provide a compensation package to attract, recruit, and retain highly qualified staff

### Tax Rate

The total approved tax rate for 2018-19 is \$1.12 per \$100 of valuation. The graph below identifies the adopted tax rates for the last four years and the tax rate for 2018-2019:



### Superintendent and Board Priorities

| Item | Priority   | Amount              |
|------|--|---------------------|
| A    | 2% Pay Increase for all Administrative, Clerical & Instructional Support Staff (All Funds) | \$ 918,000          |
| B    | \$50,000 Minimum Teacher Pay (All Funds)   | 1,832,000           |
| C    | 2% Pay Increase for Auxiliary Staff  | 286,000             |
| D    | Additional Teachers – 31 Teachers (\$67,015 per Teacher)                                   | 2,077,465           |
| E    | Behavioral Therapists – Non Special Education – 2 Teachers (\$67,015 per Teacher)          | 134,030             |
| F    | Balanced Literacy – 9 Teachers (\$67,015 per Teacher)                                      | 603,135             |
| G    | Additional Safety Officers– 2 Police Officers (\$44,855 per Officer)                       | 89,710              |
| H    | Bus Purchase – 2 Buses (\$110,000 per Bus)   | 220,000             |
|      | <b>TOTAL</b>   | <b>\$ 6,160,340</b> |

## FINANCIAL SECTION

### Revenue Information

The approved local, state, and federal revenues are calculated based upon input from relevant sources and the latest state revenue finance template which includes changes from the 85th (latest) Legislative Session. The finance template appears to be current with all known factors and other appropriate information.

### Expenditure Information

Midland Independent School District diligently plans for all anticipated expenditures. The District's goal is to fulfill the majority of the students, campuses, and District's needs with limited revenue that the District will receive.

### Enrollment Information

The Midland Independent School District is serving about twenty-six thousand students in the 2018-19 school year. Midland ISD student population has increased in recent years. The following demographic trends have been identified and included in the budget documents:

- Increasing economically disadvantaged student population
- Increasing minority student population
- Increasing reliance on technology by student population

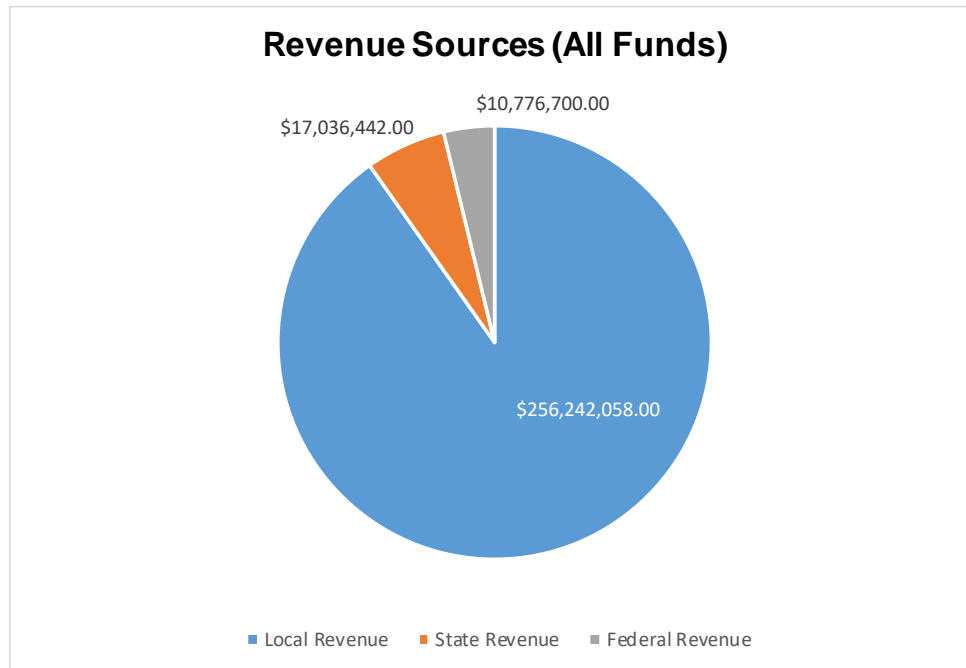
### Other Budgetary Information

The general fund budget has been prepared based on an increase in average daily attendance (ADA), an increase in taxable value growth historical trends, and relevant data provided to the financial services office.

### Major Revenue Sources

For the Midland Independent School District, 90% of the anticipated \$284,055,200 in total revenues of the four major funds that are funded by local sources.

Overall, the aggregate anticipated revenue budget for 2018-2019 are as follows:



### Major Revenue Assumptions

Midland ISD constantly monitors the student ADA as well as the changes in the revenue from property tax. Given that the District approves its annual budget in June, before the first week of school and before certified tax rolls are available, the District relies on historical and trending ADA numbers and estimated tax valuations when preparing the budget. Midland ISD also works with the appraisal district to aid in the budget process.



The 2018-2019 annual budget is approved as follows:

MIDLAND INDEPENDENT SCHOOL DISTRICT  
OFFICIAL BUDGET  
2018-2019

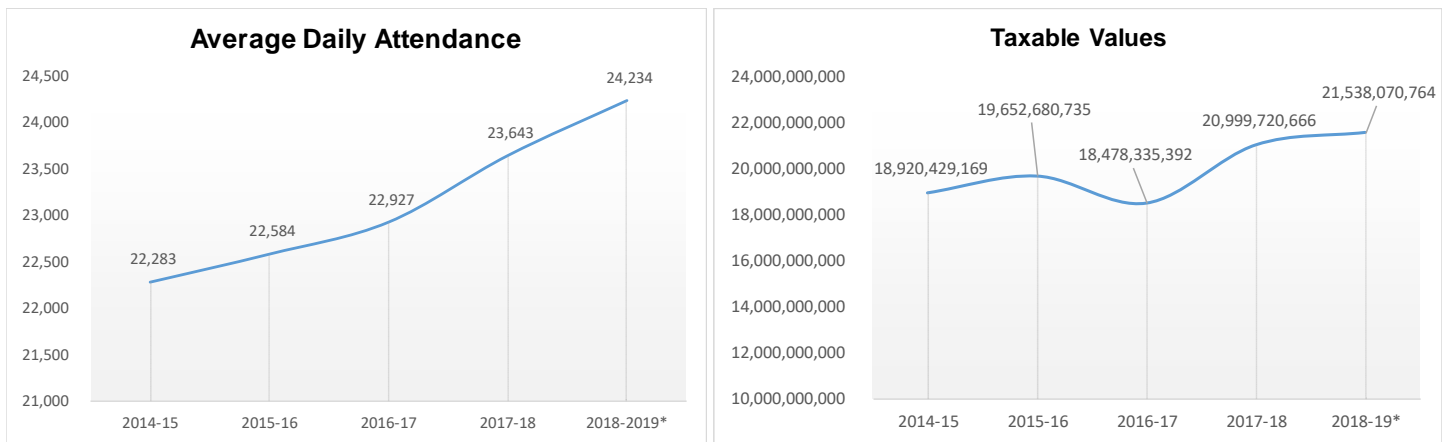
|  | 100-199<br>GENERAL<br>FUND | 240<br>FOOD SERVICE<br>FUND | 599<br>DEBT SERVICE<br>FUND | TOTAL               |
|--|----------------------------|-----------------------------|-----------------------------|---------------------|
| <b>REVENUES</b>  |                            |                             |                             |                     |
| Ad Valorem Taxes   | \$ 231,521,850             | \$ -                        | \$ 19,199,008               | \$ 250,720,858      |
| Other Local Revenue  | 1,200,000                  | 4,241,200                   | 80,000                      | 5,521,200           |
| State Revenue  | 16,977,942                 | 58,500                      | -                           | 17,036,442          |
| Federal Revenue  | 2,250,000                  | 8,526,700                   | -                           | 10,776,700          |
| <b>Total Revenues</b>  | <b>251,949,792</b>         | <b>12,826,400</b>           | <b>19,279,008</b>           | <b>284,055,200</b>  |
| <b>EXPENDITURES</b>  |                            |                             |                             |                     |
| 11 - Instructional Services  | 118,235,729                | -                           | -                           | 118,235,729         |
| 12 - Instructional Resources and Media Services                      | 2,084,203                  | -                           | -                           | 2,084,203           |
| 13 - Staff Development   | 3,218,886                  | -                           | -                           | 3,218,886           |
| 21 - Instructional Administration                                    | 3,148,922                  | -                           | -                           | 3,148,922           |
| 23 - Campus Administration   | 12,359,160                 | -                           | -                           | 12,359,160          |
| 31 - Guidance and Counseling   | 6,848,861                  | -                           | -                           | 6,848,861           |
| 32 - Social Services   | 150,174                    | -                           | -                           | 150,174             |
| 33 - Health Services   | 2,184,281                  | -                           | -                           | 2,184,281           |
| 34 - Student (Pupil) Transportation                                  | 6,355,996                  | -                           | -                           | 6,355,996           |
| 35 - Food Services   | -                          | 12,826,400                  | -                           | 12,826,400          |
| 36 - Cocurricular / Extracurricular Activities                       | 5,210,667                  | -                           | -                           | 5,210,667           |
| 41 - General Administration  | 4,896,735                  | -                           | -                           | 4,896,735           |
| 51 - Plant Maintenance and Operation                                 | 22,135,615                 | -                           | -                           | 22,135,615          |
| 52 - Security and Monitoring Services                                | 1,608,555                  | -                           | -                           | 1,608,555           |
| 53 - Data Processing Services  | 3,347,400                  | -                           | -                           | 3,347,400           |
| 61 - Community Services  | 500,358                    | -                           | -                           | 500,358             |
| 71 - Debt Service - Bond Principal                                   | -                          | -                           | 7,510,000                   | 7,510,000           |
| 72 - Debt Service - Interest on Bonds                                | -                          | -                           | 9,169,600                   | 9,169,600           |
| 73 - Debt Service - Issuance Costs/Fees                              | -                          | -                           | 5,000                       | 5,000               |
| 91 - Contracted Instructional Services                               | 57,512,086                 | -                           | -                           | 57,512,086          |
| 93 - Shared Service Arrangements                                     | 160,000                    | -                           | -                           | 160,000             |
| 99 - Other Intergovernmental Charges                                 | 1,992,164                  | -                           | -                           | 1,992,164           |
| <b>Total Expenditures</b>  | <b>251,949,792</b>         | <b>12,826,400</b>           | <b>16,684,600</b>           | <b>281,460,792</b>  |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>-</b>                   | <b>-</b>                    | <b>2,594,408</b>            | <b>2,594,408</b>    |
| <b>OTHER FINANCING SOURCES (USES)</b>                                |                            |                             |                             |                     |
| Other Sources  | -                          | -                           | -                           | -                   |
| Other Uses (Purchase of Land)  | (390,000)                  | -                           | -                           | (390,000)           |
| <b>Net Other Financing Sources (Uses)</b>                            | <b>(390,000)</b>           | <b>-</b>                    | <b>-</b>                    | <b>(390,000)</b>    |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ (390,000)</b>        | <b>\$ -</b>                 | <b>\$ 2,594,408</b>         | <b>\$ 2,204,408</b> |

## General Fund Summary

The general fund serves as the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

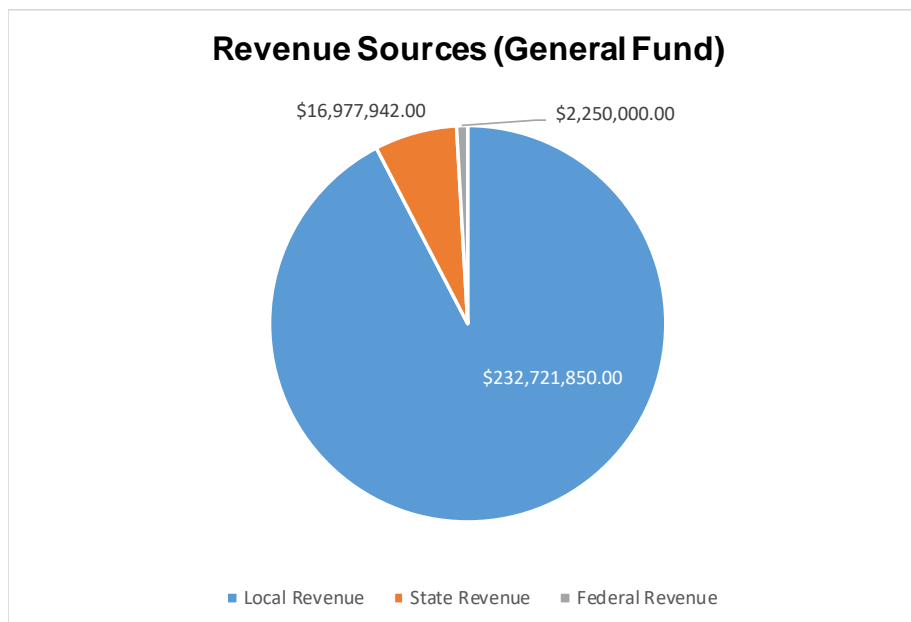
The tax rate for the general fund is \$1.04 which is the same rate for the last 9 years (since 2008-2009)

The District's average daily attendance (ADA) has experienced a steady increase over the last 5 school years with taxable values increasing at a faster rate in the same period of time (with an exception of 2016-2017 fiscal year). With historical as well as projected information, the District is anticipating a 2.5% growth in ADA and also anticipating an increase of 12.5% in Taxable Values for the 2018-19 school year. The charts below identify these trends accordingly:

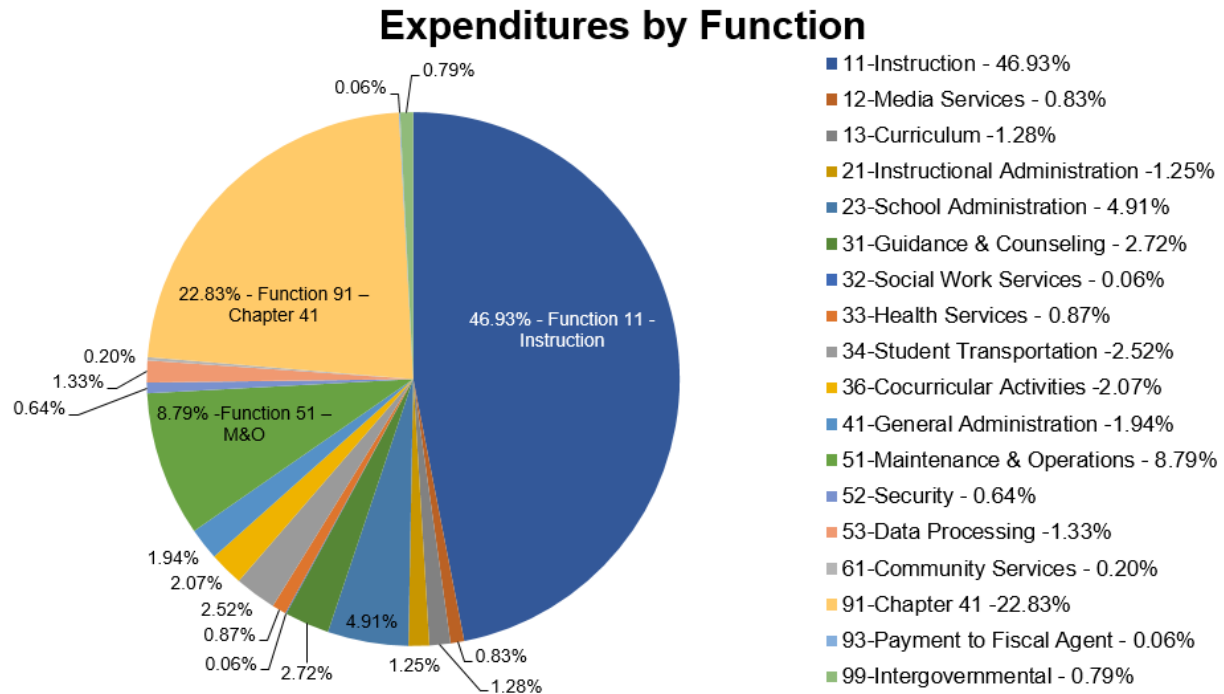


\*Estimate Figures

Local property taxes continue to be a substantial revenue source for the District. Almost 92 cents of every dollar collected at the District is from the local property taxpayer. The revenue sources for general fund are presented as follows:



The total expenditures by each function for the general fund are presented as follows:



The General Fund budget currently includes the following financial highlights:

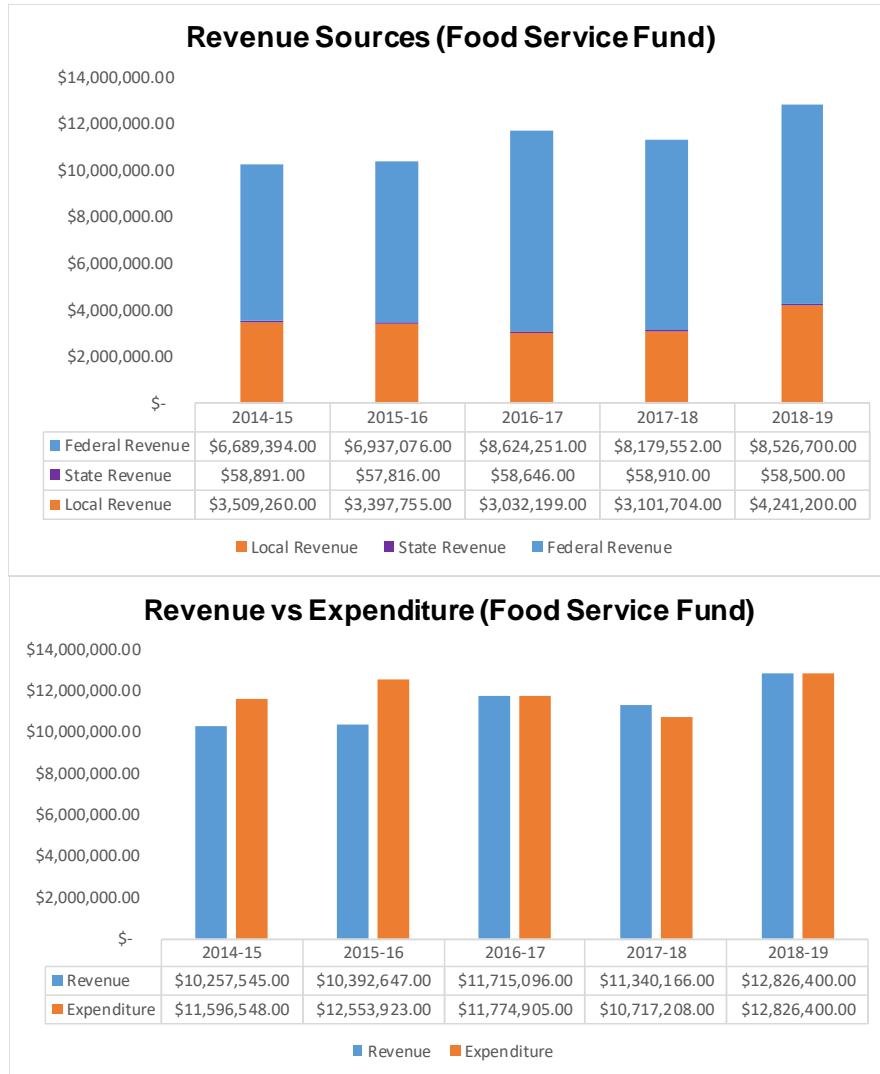
- Total Revenues \$ 251,949,792
- Total Expenditures \$ 251,949,792
- Budget Surplus (Deficits) \$ -0-
- M&O Tax Rate \$ 1.04

### Food Service Fund Summary

National School Breakfast and Lunch Program Fund is used to account for federal reimbursement revenue from the United States Department of Agriculture as well as user fees (meal charges) for the National School Breakfast and Lunch Programs.

The food service budget was prepared based on enrollment growth with similar breakfast and lunch schedules (as compared to the 2017-18 school year). The District's school nutrition department continuously provides nutritional choices for our students at reasonable costs.

The trend for revenues and expenditures for the last four years and the approved budget for 2018-2019 school year are presented as follows:



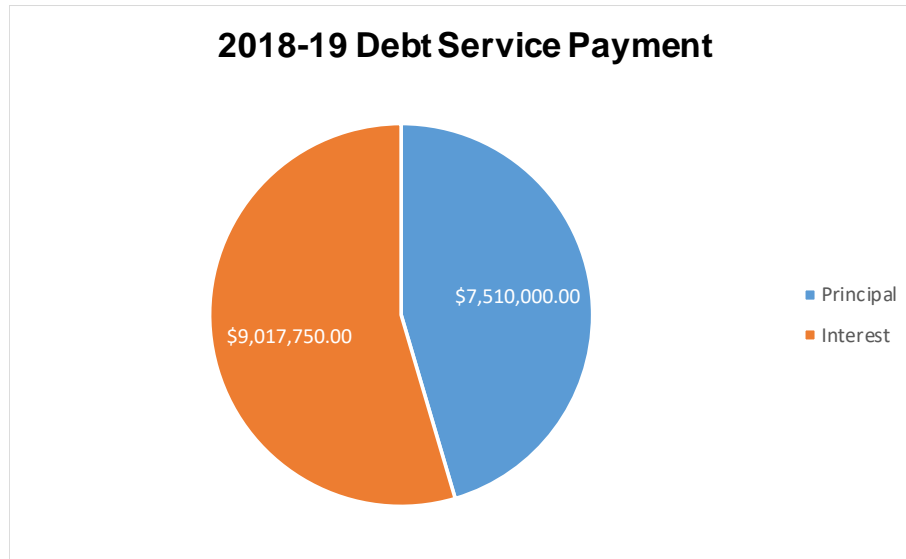
The Food Service Fund budget currently includes the following financial highlights:

- Total Revenues \$ 12,826,400
- Total Expenditures \$ 12,826,400
- Budget Surplus (Deficit) \$ -0-

### Debt Service Fund Summary

The Debt Service Fund (commonly referred to as the 'Interest and Sinking Fund' or the 'I&S fund') is primarily funded by local property tax collections. It is used to account for the District's current portion of voter approved debt and the Foundation School Program's facilities allotment for bonded indebtedness.

The total amount of principal and interest owed on outstanding bonds for the Fiscal Year 2018-19 is identified as follows:



The Debt Service fund budget currently includes the following financial highlights:

|                            |               |
|----------------------------|---------------|
| • Total Revenues           | \$ 19,199,088 |
| • Total Expenditures       | \$ 16,684,600 |
| • Budget Surplus (Deficit) | \$ 2,514,408  |
| • I&S Tax Rate             | \$ 0.08       |

### Budget Assumptions

There are several factors that have to be considered when forecasting the financial impact of a particular fund and they are as follows:

- Student enrollment growth rate
- Student attendance rate
- Special population changes
- Changes in assessed valuations
- Delinquent tax collection rate
- Salary schedule considerations
- Programs and course offerings
- Fuel rate volatility
- Electricity rate changes (based on executed contracts)
- Inflationary considerations for insurance and other fixed costs each year
- Staff counts
- Grant funding reductions

Other key factors which are included as part of the budget process are:

- No significant non-routine capital expenditures are included in the 2018-19 General budget
- Future capital expenditure purchases are planned through contingency bond funds
- ADA is calculated based on historical data as well as the Operations' department projections

### **Allocation of Human and Financial Resources**

- Approximately 65% of the expenditure budget is comprised of salaries and benefits. Therefore, Midland ISD will continue to monitor staff levels during the staff allocation process to maintain financial health of the District in an excellent condition. Student to teacher ratios and all support services are analyzed regularly to ensure ratios are acceptable to State averages.

### **Financial Approach**

- It is the intent of Midland Independent School District to conservatively estimate the resources anticipated under law along with accurate assumptions and values.

### **Financial Department Message**

*For the 2018-19 fiscal year's budget, the Board of Trustees works diligently with the administrative staff to maximize limited resources in an effort to meet the needs of our students, teachers, and campuses. The District believes that this budget document displays a strong effort to satisfy the needs of the students and members of our community for the upcoming school year. It is the District's goal to provide the best education for our students while being efficient, effective and transparent with the taxpayer funds of the Midland ISD.*

*The District appreciates the support provided by the Board Members for the development, implementation, and maintenance of an excellent educational opportunity for the children of Midland ISD.*

# INFORMATIONAL SECTION

## Fiscal Year 2018-2019 Budget Calendar

| Description |  | Responsible Department                   |
|-------------|--|--|
| 1           | Campus, Department, and Program Budget Templates are Developed   | Budget Office                            |
| 2           | CFO Reviews and Approves Budget Templates  | Chief Financial Officer                  |
| 2           | Notification of the Implementation of a Zero Based Budget Approach for FY2018-19                                     | Superintendent                           |
| 3           | Initiation of the Budget Process with a Discussion of the FY2018-19 Budget Development Calendar                      | Board of Trustees                        |
| 4           | Departmental Budget Workshops are Conducted  | Campuses, Departments, and Programs      |
| 4           | Development of Detailed Spending Plans   | Departments, Programs, and Budget Office |
| 5           | Adoption of the FY2018-19 Budget Development Calendar  | Board of Trustees                        |
| 6           | Discussions on Budget Priorities, Student Needs, Options to Address Priorities, and Staffing Formula Recommendations | Campus, Departments, and Programs        |
| 6           | A Team Meeting Budget 101 Training   | Financial Services                       |
| 7           | First Draft of Proposed Budget Due   | Financial Services                       |
| 7           | Review and Approval of Campus, Departmental and Program Budgets  | Executive Directors                      |
| 8           | Preliminary Review and Approval of Campus, Department, and Program Budgets   | CFO, CAO, COO                            |
| 8           | FY2018-19 Board Budget Workshop #1   | Board of Trustees                        |
| 9           | Budget Meetings  | Community and Staff                      |
| 10          | Preliminary Review and Approval of Campus, Department, and Program Budgets   | Superintendent's Cabinet                 |
| 11          | FY2018-19 Board Budget Workshop #2   | Board of Trustees                        |
| 12          | Midland Central Appraisal District provides Preliminary Appraisal Values to District                                 | MCAD                                     |
| 13          | Budgets are Submitted  | Campuses, Departments, and Programs      |
| 14          | FY2018-19 Board Budget Workshop #3   | Board of Trustees                        |
| 13          | Proposed Budget Entered in Skyward   | Financial Services                       |
| 15          | Publish Budget and Tax Rate Advertisement of Public Hearing in Newspaper   | Financial Services                       |
| 16          | Public Hearing on Budget and Tax Rate  | Board of Trustees                        |
| 17          | Adopt 2018-19 Budget ( Must be adopted by June 30, 2018)   | Board of Trustees                        |
| 18          | Adopt Tax Rates for 2018-2019  | Board of Trustees                        |
| 19          | Adopt 2018-19 Compensation Plan  | Board of Trustees                        |
| 20          | 2018-2019 Budget Available for Purchase Requisitions   | Financial Services                       |
| 21          | Receive Certified Values from MCAD   | Financial Services                       |
| 22          | Post Budget Summary on Website   | Financial Services                       |
| 23          | Post Required Statement on District Website  | Financial Services                       |
| 24          | Approval of Final Tax Roll   | Board of Trustees                        |

**Appraisal Estimated**  
(Provided by Midland Appraisal District)



MIDLAND CENTRAL APPRAISAL DISTRICT  
**PUBLIC HEARING AD 12.5%**

ESTIMATED TAXABLE VALUE DETAIL  
MIDLAND INDEPENDENT SCHOOL DISTRICT

|                                       | Current Estimate     | 5/9/2018 2017 Taxable | Percent Change |
|---------------------------------------|----------------------|-----------------------|----------------|
| <b>ESTIMATED TAXABLE VALUES:</b>      |                      |                       |                |
| REAL PROPERTY (R) *                   | \$12,343,673,745     | \$11,495,482,200      | 107.4%         |
| BUSINESS PERSONAL PROPERTY (BBP) *    | \$1,442,013,099      | \$1,329,459,885       | 108.5%         |
| INDUSTRIAL PERSONAL PROPERTY (IUP) ** | \$4,783,477,654      | \$3,953,387,018       | 121.0%         |
| MINERAL (O&G)**                       | \$5,768,693,297      | \$4,856,831,744       | 118.8%         |
| TOTAL                                 | \$24,337,857,795     | \$21,635,160,847      | 112.5%         |
| 251                                   |                      |                       |                |
| <b>FROZEN PROPERTY:</b>               |                      |                       |                |
| TAXABLE PROPERTY VALUE FROZEN         | \$1,271,276,405      | \$1,199,514,133       | 106.0%         |
| TAXABLE VALUE LOSS DUE TO FREEZE      | \$519,978,734        | \$474,413,292         | 109.6%         |
| <b>NEW TAXABLE:</b>                   |                      |                       |                |
| NEW REAL                              | \$282,577,959        | \$285,074,934         | 99.1%          |
| NEW PERSONAL                          | \$81,653,494         | \$72,228,003          | 113.0%         |
| INDUSTRIAL PP (IUP) **                | \$281,991,150        | \$222,519,400         | 126.7%         |
| TOTAL                                 | \$646,222,603        | \$579,822,337         | 111.5%         |
| <b>HOMESTEAD PROPERTY:</b>            |                      |                       |                |
| AVERAGE HOMESTEAD MARKET VALUE        | \$266,936            | \$250,210             | 106.7%         |
| AVERAGE HOMESTEAD TAXABLE VALUE       | \$256,794            | \$243,225             | 105.6%         |
| HOMESTEAD CAP LOSS:                   | \$291,835,474        | \$193,816,433         | 150.6%         |
| <b>UNDER PROTEST</b>                  |                      |                       |                |
|                                       | <b>\$953,188,386</b> | \$628,370,504         | 75% of Protest |
| 2017 MARKET VALUE NEW PRODUCTIVITY    | \$2,981,390          |                       |                |
| 2018 NEW PRODUCTIVITY                 | \$79,780             |                       |                |
| 2018 NEW PARTIAL EXEMPTIONS           | \$64,406,888         |                       |                |
| 2018 POLLUTION CONTROL EXEMPTION      | \$4,945,980          |                       |                |
| 2018 NEW ABSOLUTE EXEMPTIONS          | \$1,723,959          |                       |                |
| 2017 TAX CEILING                      | \$1,199,934,489      |                       |                |

\* Adjusted for estimated loss for appeals.

\*\* Prichard & Abbott values are speculative at this time. Renditions and Lease Workouts are approximately 65% complete.



Public Hearing Advertisement

### NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

The MIDLAND INDEPENDENT SCHOOL DISTRICT will hold a public hearing meeting at 5:30 pm on June 18, 2018, in the auditorium of the Bowie Fine Arts Academy, 805 Elk Street, Midland, Texas. The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited.

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

|                                 |            |          |  |
|---------------------------------|------------|----------|--|
| <b>Maintenance Tax</b>          | \$ 1.04005 | / \$ 100 | (Proposed rate for maintenance and operations) |
| <b>School Debt Service Tax</b>  | \$ 0.08000 | / \$ 100 | (Proposed rate to pay bonded indebtedness)     |
| <b>Approved by Local Voters</b> |            |          |  |

**Comparison of Proposed Budget with Last Year's Budget**

The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories:

|                            |         |            |    |         |            |
|----------------------------|---------|------------|----|---------|------------|
| Maintenance and operations | 10.75 % | (increase) | or | _____ % | (decrease) |
| Debt service               | _____ % | (increase) | or | 0.51 %  | (decrease) |
| Total expenditures         | 9.98 %  | (increase) | or | _____ % | (decrease) |

**Total Appraised Value and Total Taxable Value**  
(as calculated under section 26.04, Tax Code)

|  | Preceding Tax Year | Current Tax Year |
|--|--------------------|------------------|
| Total appraised value* of all property   | \$24,494,867,263   | \$26,866,281,461 |
| Total appraised value* of new property** | \$595,618,336      | \$662,378,168    |
| Total taxable value*** of all property   | \$21,623,023,533   | \$23,504,891,770 |
| Total taxable value*** of new property** | \$579,822,337      | \$646,222,603    |

\* "Appraised value" is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code.  
 \*\* "New property" is defined by Section 26.01(2)(17), Tax Code.  
 \*\*\* "Taxable value" is defined by Section 1.04(10), Tax Code.

**Bonded Indebtedness**

Total amount of outstanding and unpaid bonded indebtedness: \$ 331,801,981

**Comparison of Proposed Rates with Last Year's Rates**

|  | Maintenance & Operations | Interest & Sinking Fund * | Total     | Local Revenue Per Student | State Revenue Per Student |
|--|--------------------------|---------------------------|-----------|---------------------------|---------------------------|
| Last Year's Rate   | \$1.04005                | \$0.08750                 | \$1.12755 | \$8,388                   | \$485                     |
| Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service | \$1.03144                | \$0.06960                 | \$1.10104 | \$8,225                   | \$779                     |
| Proposed Rate  | \$1.04005                | \$0.08000                 | \$1.12005 | \$7,973                   | \$687                     |

\* The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.

**Comparison of Proposed Levy with Last Year's Levy on Average Residence**

|   | Last Year  | This Year  |
|---|------------|------------|
| Average Market Value of Residences              | \$ 250,173 | \$ 266,936 |
| Average Taxable value of Residences             | \$ 243,201 | \$ 256,794 |
| Last Year's Rate Versus Proposed Rate per \$100 | \$ 1.12755 | \$ 1.12005 |
| Taxes Due on Average Residence                  | \$ 2,742   | \$ 2,876   |
| Increase (Decrease) in Taxes                    |            | \$ 134     |

Under state law, the dollar amount of school taxes imposed on the residence homestead of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.

**Notice of Rollback Rate:** The highest tax rate the district can adopt before requiring voter approval at an election is 1.12005. This election will be automatically held if the district adopts a rate in excess of the rollback rate of 1.12005.

**Fund Balances**

The following estimated balances will remain at the end of the current fiscal year and are not encumbered with or by a corresponding debt obligation, less estimated funds necessary for operating the district before receipt of the first state aid payment :

|   |               |
|---|---------------|
| Maintenance and Operations Fund Balances(s) | \$ 75,005,316 |
| Interest & Sinking Fund Balance(s)          | \$ 8,946,265  |

Budget book preparation date: 07/01/2018