

**Galena Park Independent School District  
2016-2017 Budget**



**14705 Woodforest Blvd.  
Houston, TX 77015  
Harris County  
[www.galenaparkisd.com](http://www.galenaparkisd.com)**

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# Introductory Section

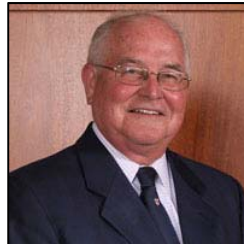
# Galena Park Independent School District

## Principal Officials

### Board of Trustees



*President – Wilfred J. Broussard*



*Vice President – Jeff Miller*



*Secretary – Wanda Heath Johnson*



*Ramon Garza*



*Dawn Fisher*



*Minnie Rivera*



*Joe Stephens*

### Superintendent of Schools



*Dr. Angi Williams*

### Administration

Sonya George ..... Deputy Superintendent for Operations/ CFO  
Kenneth Wallace ..... Deputy Superintendent for Educational Support and School Administration  
Arnold Ramirez ..... Associate Superintendent for Human Resource Services  
Dr. Wanna Giacona..... Assistant Superintendent for Human Resource Services  
Elizabeth Lalor ..... Assistant Superintendent for Educational Support and Academic Support  
Terri Moore..... Assistant Superintendent for Communication Services  
John Moore ..... Assistant Superintendent for Operations  
Crystal Murray.....Assistant Superintendent for Special Projects





## Mission Statement

The mission of the Galena Park Independent School District is to prepare students to become productive citizens and lifelong learners.

## Motto

Leading... Learning... Serving





ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The *Pathway* to the Meritorious Budget Award is presented to

**GALENA PARK  
INDEPENDENT SCHOOL DISTRICT**

For excellence in the preparation and issuance of its budget  
for the Fiscal Year 2015-2016.

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



A handwritten signature in black ink, appearing to read 'Mark C. Pepers', written over a horizontal line.

Mark C. Pepers, MBA, RSBO, SFO  
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA  
Executive Director

# Galena Park Independent School District

## Executive Summary

### **Budget Information**

Budget planning is an integral part of 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 are considered. Budget planning and evaluation are continuous processes and are a part of each month's activities.

The District's fiscal year runs September 1<sup>st</sup> through August 31<sup>st</sup>. A budget must be adopted no later than August 31<sup>st</sup> of each year. The Board of Trustees shall publish a notice and conduct a public hearing regarding the budget prior to adoption of the budget. The District must also publish a notice regarding the proposed budget on the District website.

At a minimum, the Board of Trustees must adopt a budget that includes the General Fund, Food Service Fund and Debt Service Fund. The budget is to be adopted at the function code level; therefore, any changes to the budget at the functional level shall be approved by the Board of Trustees prior to exceeding a functional expenditure category.

The adopted budget shall be reported to the Texas Education Agency (TEA) on an annual basis through the fall Public Education Information System (PEIMS) submission.

The Deputy Superintendent for Operational Support/Chief Financial Officer is responsible for coordinating the development and adoption of the District budget.

Planning and development begins in January each year with the Superintendent and administrative leadership team determining the parameters to be used as a guide for the resource allocation process. The budget must effectively reflect the programs and activities offered by the District and provide the resources to implement them. Revenue projections based on estimates of local tax revenue, enrollment projections, state funding formulas, and other significant factors are prepared, subject to revenue limitations as outlined in the Texas Education Code.

Each campus and department receives an allocation as part of the District's general fund budget, providing an opportunity for the campus or department to budget the allocation to meet their needs. With Average Daily Attendance (ADA) being a driving force of revenue, projected ADA is used to determine the allocation for each campus,

while department allocations are based on the prior year allocation including any permanent increases or decreases necessary to fund new initiatives.

The compensation budget comprises nearly 80% of the General Fund budget, and is developed by analyzing prior year expenditures and taking into consideration vacant positions, additional approved positions, salary increases, and increases to benefit costs.

Principals and directors submit their proposed allocations to the Business Services Department for compilation, summarization, and preparation of a draft budget, prioritizing requests and reductions in accordance with the Superintendent's parameters. The preliminary budget is then presented and discussed with the Board of Trustees. The proposed budget must be prepared by August 20<sup>th</sup> for the September 1<sup>st</sup> fiscal year start date. The Board President must call a Board meeting for the purpose of discussing and adopting the budget and tax rate; a public notice of which is required to be published at least 10 days, but not more than 30 days, prior to the public meeting.

*Source: Galena Park ISD Board Policy Manual <http://pol.tasb.org/Policy/Search/590?filter=CE>*



## Significant Budget changes for 2016-17

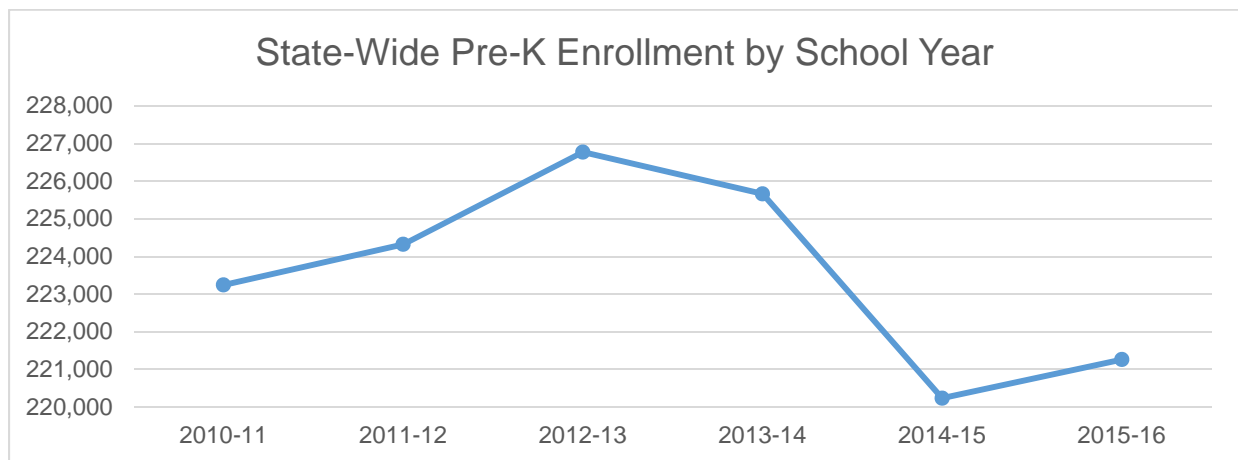
- Adjust Teacher pay scale, increase starting pay \$52,500; **\$2,111,982**
- 2% of midpoint general pay increase for all employees; **\$2,097,344**
- Various new positions approved by Board of Trustees; **\$1,114,025**
  - 1 Bookkeeper, to aide in the large number of transactions necessary at North Shore Senior High.
  - 5 Life Skills aides, due to the increase in special needs students at various campuses
  - 1 Elementary Bilingual Specialist, due to the increase in students participating in bilingual education
  - 1 Teacher, due to increase in campus student population
  - 1 Secondary ESL/LOTE teacher, due to the increase of LEP students.
  - 1 Lead teacher at the newest elementary campus
  - 1 Life Skills teacher, due to the increase in special needs students.
  - 1 High Functioning Students K-5 teacher (FOCUS)
  - 1 High Functioning Students K-5 aide (FOCUS)
  - 1 Pre-school program for children with disabilities aide.
  - 4 Special Education Resource aides, due to increase in student population requiring services
  - 2 Structured Learning Class aides
  - 1 Positive Approach for Student Success (PASS) aide
  - 1 Instructional aide
  - 4 Crossing guards
  - 10 Bus aides
  - 1 High School Registrar
  - 1 Director for Recruitment
  - 1 Student Nutrition accountant
- Decrease in cost of ARAMARK contract; **\$(100,000)**
- Decrease in operational debt service due to payoff of 2002 QZAB; **\$(386,560)**
- Increase for Technology upgrade projects; **\$1,559,067**
- Increase for new software to track truancy and prevent dropouts; **\$153,950**
- Increase in costs of Credit by Exam and PSAT tests; **\$29,500**
- Increase for Professional Development; **\$60,000**
- Increase for Harris County Appraisal District costs; **\$125,000**
- Increase for ongoing fleet replacement; **\$915,047**

## Significant Budget Action Items for 2015-16 and 2016-17 Biennium

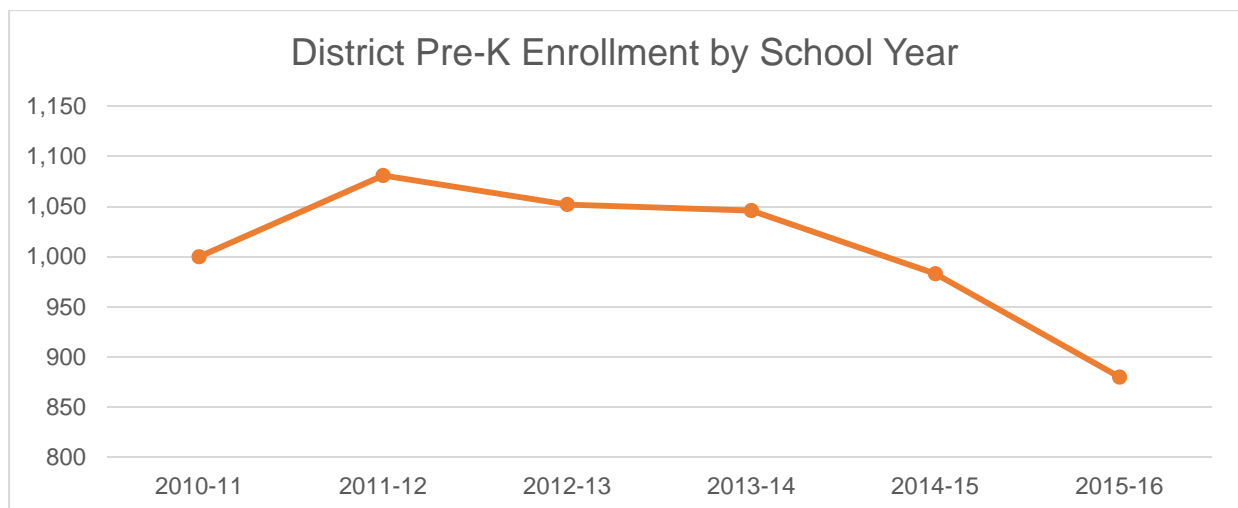
The Texas Legislature holds a regular session of 140 days every two years, beginning on the second Tuesday in January of each odd-numbered year. The 84<sup>th</sup> Legislative Session began January 13<sup>th</sup> and ended June 1<sup>st</sup>, 2015. The following House Bills (HB) and Senate Bills (SB) were passed during this session, impacting school district budgets state wide. The Legislature did not hold session in 2016.

### **HB 4: High Quality Pre-Kindergarten**

Provides up to \$1,500 in half day Foundation School Program (FSP) funding for each eligible student attending a kindergarten program that meets TEA's rules and guidelines for high-quality pre-kindergarten instructional settings. A total of \$118 million has been appropriated to the state budget for this, of which \$646,030 was allocated to Galena Park ISD.



Source: Forecast 5



**HB 114: Capital Appreciation Bonds**

New restrictions related to facility financing by issuing capital appreciation bonds (CABs), requiring a maturity date of 20 years or less after the date of issuance, and disclosure of all cost estimates associated with the issuance. Debt information must be posted on the district's website, in addition to minutes of board action items related to the issuance of CABs

**HB 1305: State Compensatory Education Allotment and Operation of National School Lunch Program**

Students considered to be economically disadvantaged will now be calculated by averaging the best six month's number of students eligible for enrollment in the National School Lunch Program (NSLP). The number of economically disadvantaged students in a district affects the allotment for state compensatory education funds. This bill allows a district to participate in either the NSLP or a locally funded program at each campus of the district. Additionally, if 80 percent of students on a campus qualify for free or reduced lunch under these programs, the district may provide free breakfast to all students on said campus.

**HB 1378: Debt Disclosure on District's Websites**

School districts are required to prepare an annual report that includes debt information as of the last day of the preceding fiscal year.

**HB 2610: Redefining the Length of the School Year**

New measurement standards redefine the length of the school year from 180 days of instruction to 75,600 minutes of instruction; a day of instruction is defined as 420 minutes of instruction. School districts may add additional minutes to future scheduled days to compensate for minutes of instruction when campuses are closed for health and safety reasons. This change affects how student Average Daily Attendance is calculated.

**SB 1: General Appropriations Act**

This contains comprehensive funding appropriations for all sectors of state government. Amendments to the act include an increase to the residential homestead exemption from \$15,000 to \$25,000, subsequently approved by voters via a constitutional amendment on November 3<sup>rd</sup>, 2015. To offset the anticipated decrease in collectable property tax revenue, TEA's "hold harmless" provisions allow for additional state aid distributions for the 2015-16 and 2016-17 school years.

*Source: Canby, Tom (2015, August) Action Items for 2015-16. TASBO REPORT, Vol.40 Issue 3, 10-13*

## Budget Overview and Highlights

Development of the District Budget follows federal, state, and local guidelines. Annually, the Board of Trustees reviews and adopts General Fund, Food Service, and Debt Service funds. Total budgeted revenues for fiscal year 2016-17 are \$241,122,700, and total budgeted expenses are \$239,111,200.

	Fiscal Year 2013-14	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17
	Actuals (Audited)	Actuals (Audited)	Actuals (Unaudited)	Adopted Budget
<i>Revenues</i>				
General Fund	\$198,574,033	\$211,801,287	\$215,074,249	\$204,721,300
Debt Service	20,707,006	22,110,223	23,575,996	22,451,200
Food Service	13,534,206	13,599,930	14,442,454	13,950,200
	<b>\$232,815,245</b>	<b>\$247,511,440</b>	<b>\$253,092,699</b>	<b>\$241,122,700</b>
<i>Expenditures</i>				
General Fund	\$174,217,268	\$189,183,836	\$199,941,149	\$204,721,300
Debt Service	19,775,383	19,397,302	20,061,128	19,588,000
Food Service	13,403,087	13,813,439	14,448,552	14,801,900
	<b>\$207,395,738</b>	<b>\$222,394,577</b>	<b>\$234,450,829</b>	<b>\$239,111,200</b>
<i>Other Resources, non-operating</i>				
General Fund	\$25,531	\$78,159	\$122,863	\$0
Debt Service	\$169,710	(\$8,732,050)	\$2	\$0
Food Service	\$2,848	\$5,991	\$12,630	\$0
	<b>\$198,089</b>	<b>(\$8,647,900)</b>	<b>\$135,495</b>	<b>\$0</b>
<i>Fund Balance</i>				
General Fund	\$100,045,703	\$122,741,313	\$137,997,276	\$137,997,276
Debt Service	\$10,043,759	\$4,024,630	\$7,539,500	\$10,402,700
Food Service	\$4,020,928	\$3,813,410	\$3,819,942	\$2,968,242
	<b>\$114,110,390</b>	<b>\$130,579,353</b>	<b>\$149,356,718</b>	<b>\$151,368,218</b>

*As of August 31*



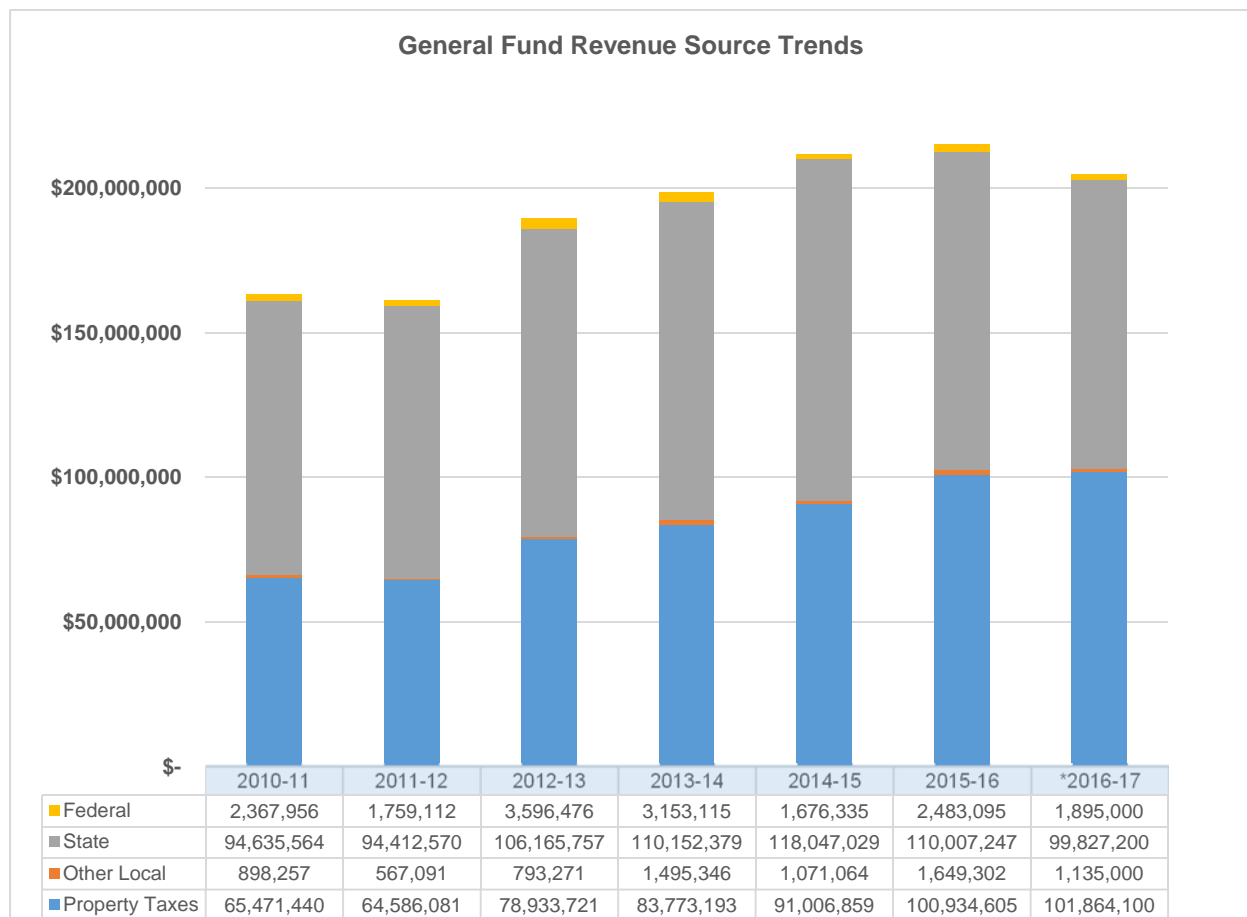


## General Fund

### Revenues

The Chief Financial Officer prepares revenue projections for all funds, based on estimates of local tax revenue, enrollment projections, State funding formulas, and other significant factors. The District is subject to revenue limitations as outlined in the Texas Education Code; under the target revenue system, the District's maintenance and operations revenues from property taxes and state aid are capped. As collections from property taxes increase, state aid is reduced by a similar amount.

Total General Fund revenue collected for fiscal year 2015-16 was \$215,074,249, with the 2016-17 budget conservatively anticipating \$204,721,300.

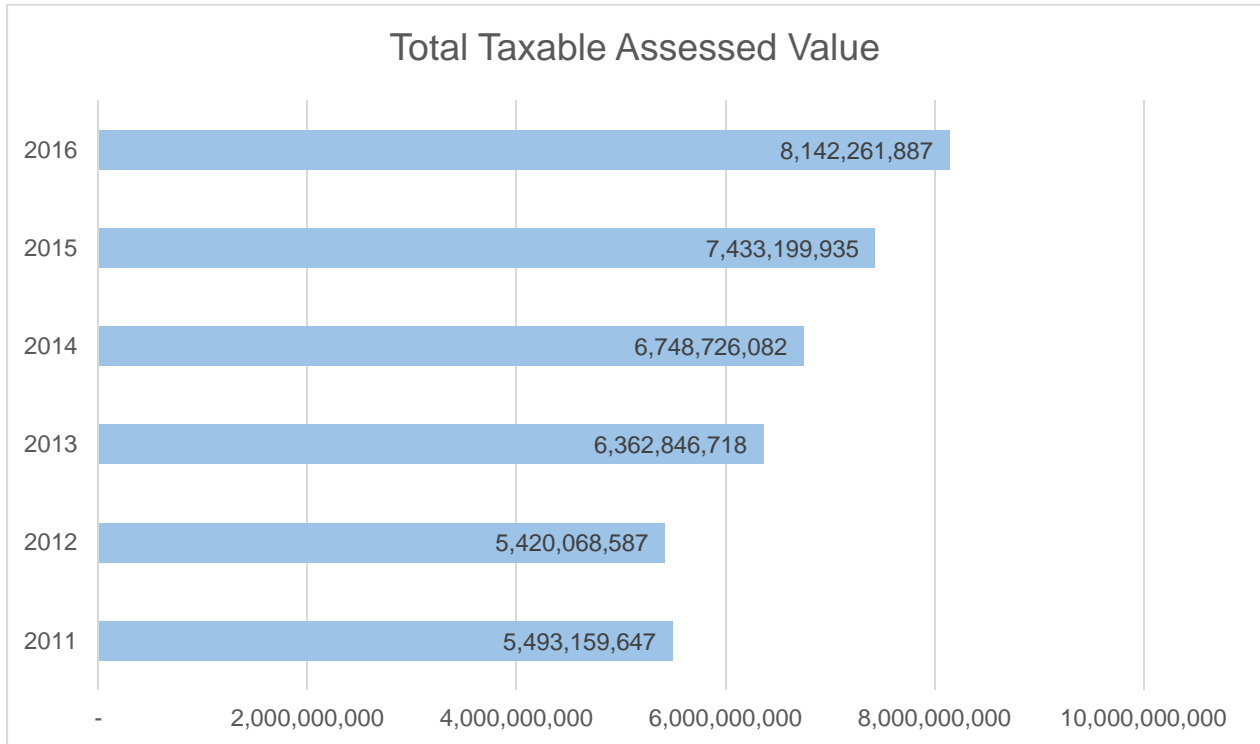


\*Budget

The graph above shows total General Fund revenues collected by the District for the prior five fiscal years, and the budgeted amount for the current fiscal year.

### Property Values

Property taxes are the District's most significant source of local revenue, usually comprising 40% of all revenues recognized and received. Local property values have steadily risen in the past years, as shown in the graph below.

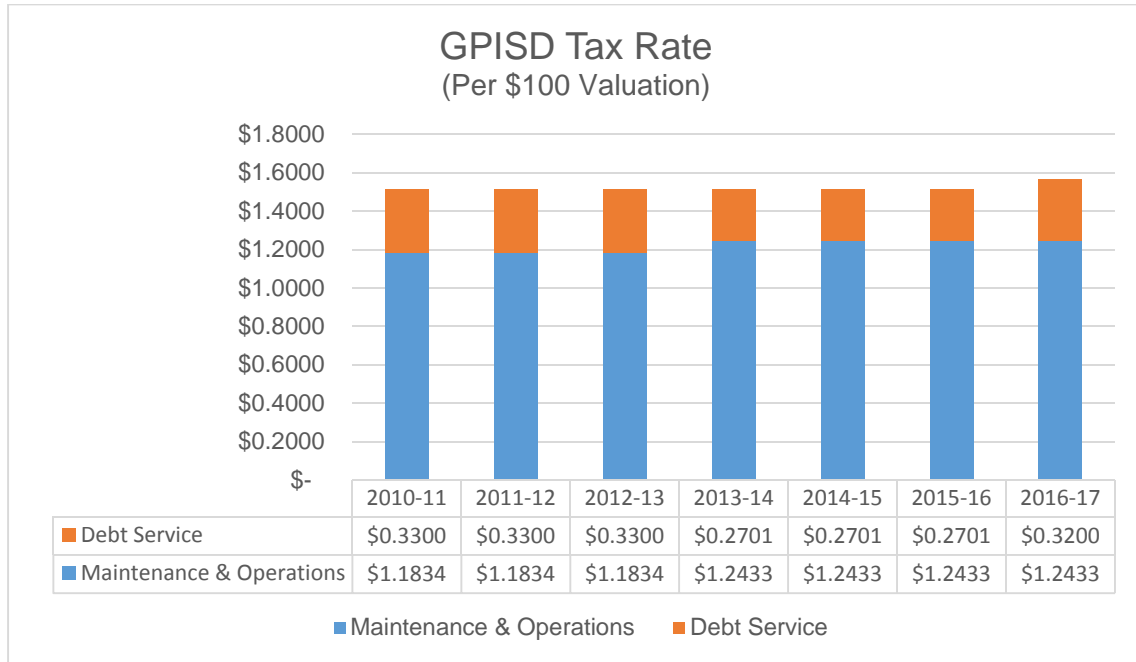


Taxable Value is defined by Section 1.04(10), Tax code.

Property values are determined by the Harris County Appraisal District as of January 1st of each year. Prior to September 1st of each year, the District must adopt its annual budget and as soon thereafter as practicable, adopt a tax rate thus creating the tax levy.

**Tax Rate**

The tax rates applicable to the maintenance and operation and debt service for 2016-17 were \$1.2433 and \$0.3200, respectively, based on a taxable value of \$8,142,261,887. Uncollected taxes are recorded as unavailable revenue in the fund financial statements net of the related allowance for uncollectible taxes.



The Debt Service increase is in anticipation of changes to the District's debt payments during the 2016-17 fiscal year. A bond election was held on May 7, 2016 for \$290 million, passing by 72%. As of the budget adoption date, no bond sales had occurred. Source: North Channel Star <http://www.northchannelstar.com/2016/05/>

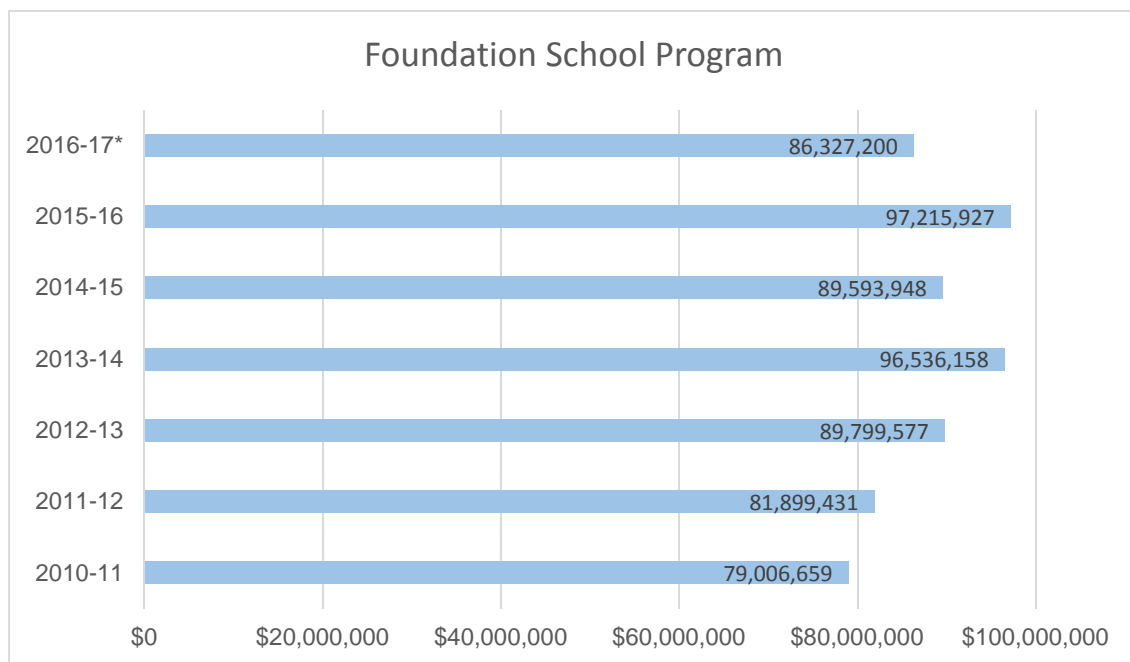
The District has made every effort to refund outstanding bonds when possible to lower the debt service requirement.

### Foundation School Program

The Foundation School Program (FSP) is the state program that establishes the amount of state and local funding due to school districts under Texas school finance law and that provides the state share of this funding to districts. The program is administered by the Texas Education Agency (TEA). The FSP, in its current form, is meant to ensure that all school districts, regardless of property wealth, receive "substantially equal access to similar revenue per student at similar tax effort, considering all state and local tax revenues of districts after acknowledging all legitimate student and district cost differences."

Source: Texas Education Agency Office of School Finance, *School Finance 101: Funding of Texas Public Schools*

The following graph shows the Foundation School Program amounts received by the District for the past five years, plus the anticipated amount to be received in the current fiscal year.



\*Budget

Expenditures

General Fund expenditures are budgeted to increase \$6,602,927 or 3.33% over the 2015-16 beginning budget expenditures.

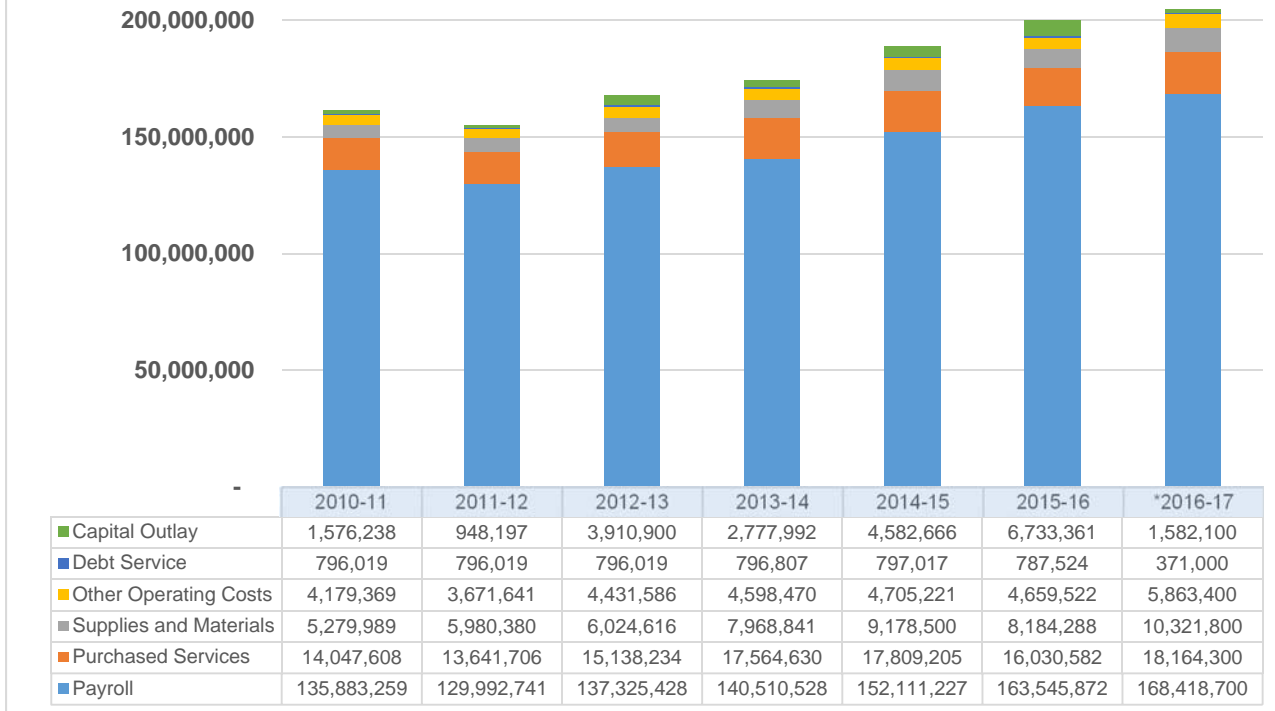
The following table provides a comparison by Major Object for the 2015-16 and 2016-17 beginning budgets.

	<b>Beginning Budget 2015-16</b>	<b>Beginning Budget 2016-17</b>	<b>Percentage change</b>	<b>Percentage of Total</b>
Payroll	\$162,330,439	\$168,418,700	3.75%	82.27%
Contracted Services	17,617,376	18,164,300	3.10%	8.87%
Supplies and Materials	10,080,503	10,321,800	2.39%	5.04%
Other Operating Costs	6,020,963	5,863,400	-2.62%	2.86%
Debt Service	798,600	371,000	-53.54%	0.18%
Capital Outlay	1,270,492	1,582,100	24.53%	0.77%
<b>Total</b>	<b>\$198,118,373</b>	<b>\$204,721,300</b>	<b>3.33%</b>	<b>100.00%</b>

Education is a very labor-intensive process, and the budget reflects this by allocating approximately 80% to payroll expenditures annually. The payroll budget is based on established guidelines and enrollment projections for each campus. Requests for additional staff must be approved by the Board of Trustees; thirty-nine new positions were approved for fiscal year 2016-17, largely due to increased enrollment in various student populations. A full list of new positions is found on page 7 of this document.

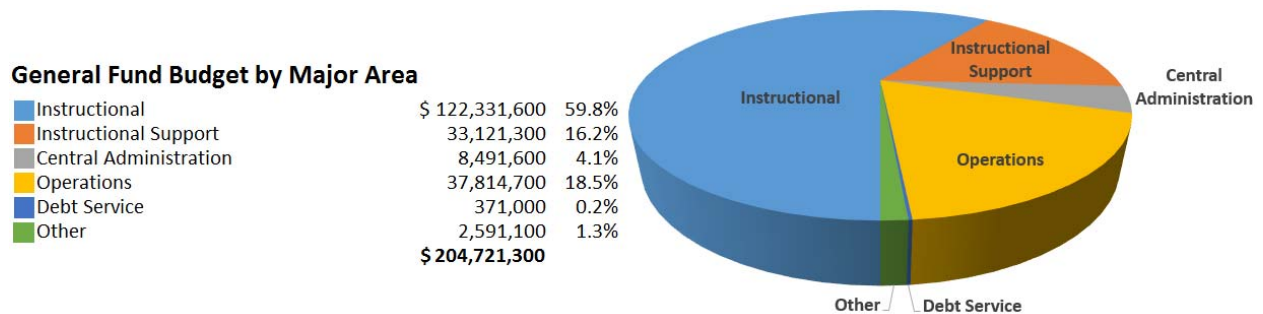
<b>Galena Park Independent School District Total Staff (FTE) Counts by Year</b>					
	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
<b>Teachers</b>	1,480.1	1,473.1	1,380.0	1,410.3	1,402.1
<b>Professional Support</b>	296.5	262.8	379.7	400.8	412.1
<b>Campus Administration</b>	69.2	75.6	77.0	81.1	78.6
<b>Central Administration</b>	11.0	50.7	47.0	50.0	55.0
<b>Educational Aides</b>	127.2	177.3	223.3	204.4	244.6
<b>Auxiliary</b>	955.7	918.3	870.2	793.6	827.1
<b>Total</b>	<b>2,939.7</b>	<b>2,957.8</b>	<b>2,977.2</b>	<b>2,940.2</b>	<b>3,019.5</b>
<b>Percentage change</b>		0.62%	0.66%	-1.24%	2.70%

## 6 Year Expenditure Budget Comparison By Major Object



\*Budget

The following graph shows the District's 2016-17 General Fund by Major Functional area. Over 75% is dedicated to Instructional and Instructional Support, with less than 25% allocated to areas of Administration and Operations.

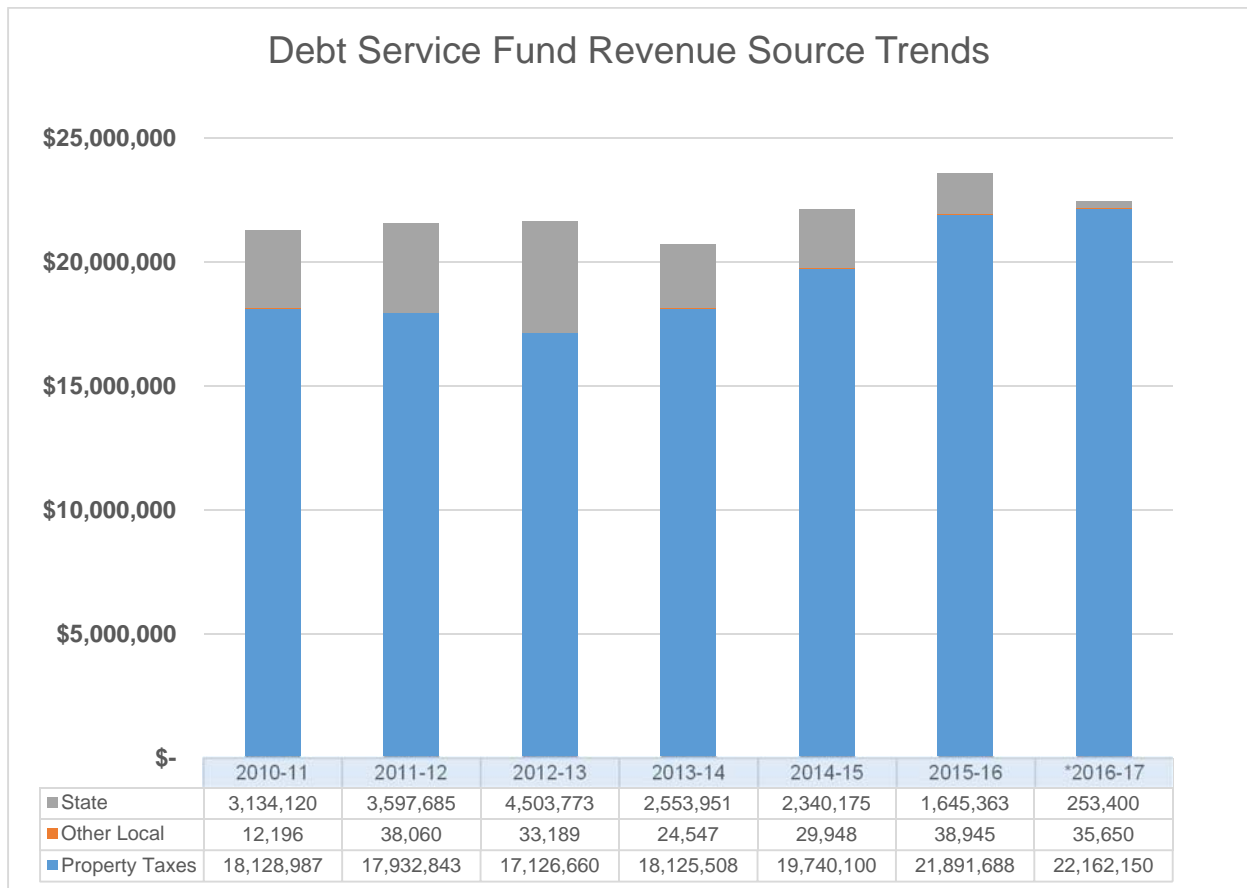


## Debt Service

### Revenues

The Debt Service Fund is used to account for the payment of interest and principal on all bonds of the district. The primary source of revenue for the Debt Service Fund is local property taxes.

Total Debt Service Fund revenue collected for fiscal year 2015-16 was \$23,575,996, with the 2016-17 budget anticipating \$22,451,200.



\*Budget

## Expenditures

Debt Service Fund expenditures are budgeted to decrease \$474,378 or 2.36% over the 2015-16 beginning budget expenditures.

The following table provides a comparison by Object for the 2015-16 and 2016-17 beginning budgets.

	<b>Beginning Budget 2015-16</b>	<b>Beginning Budget 2016-17</b>	<b>Percentage change</b>	<b>Percentage of Total</b>
Bond Principal	\$11,511,816	\$10,217,505	-11.24%	52.16%
Interest on Bonds	8,542,562	9,362,495	9.60%	47.80%
Other Debt Service Fees	8,000	8,000	0.00%	0.04%
<b>Total</b>	<b>\$20,062,378</b>	<b>\$19,588,000</b>	<b>-2.36%</b>	<b>100.00%</b>

All Principal and interest payments are due February 15<sup>th</sup> and August 15<sup>th</sup> of each year. On February 1<sup>st</sup> of each year, outstanding taxes become delinquent, which permits the collection of a large majority of taxes levied before the long term debt payments are due.

Total outstanding debt as of August 1<sup>st</sup>, 2016 is \$341,141,723.76.

In an effort to introduce more transparency into local government spending and debt obligations, the District posts details about bond and debt information on the District's website no later than one business day after the public notice of bond election, including details about the bond package(s) up for vote and current outstanding debt obligations including bonds, certificates of obligation, other debt, and the date of the election. This information can be found on the financial page of [www.galenaparkisd.com](http://www.galenaparkisd.com).

Additionally, the District notifies the Texas Comptroller of Public Account's office via email when the bond election information has been posted to the website. In prior years, the District held platinum level membership in the Texas Comptroller Leadership Circle. Currently, the district will be preparing the necessary information to apply for the Transparency Stars award.



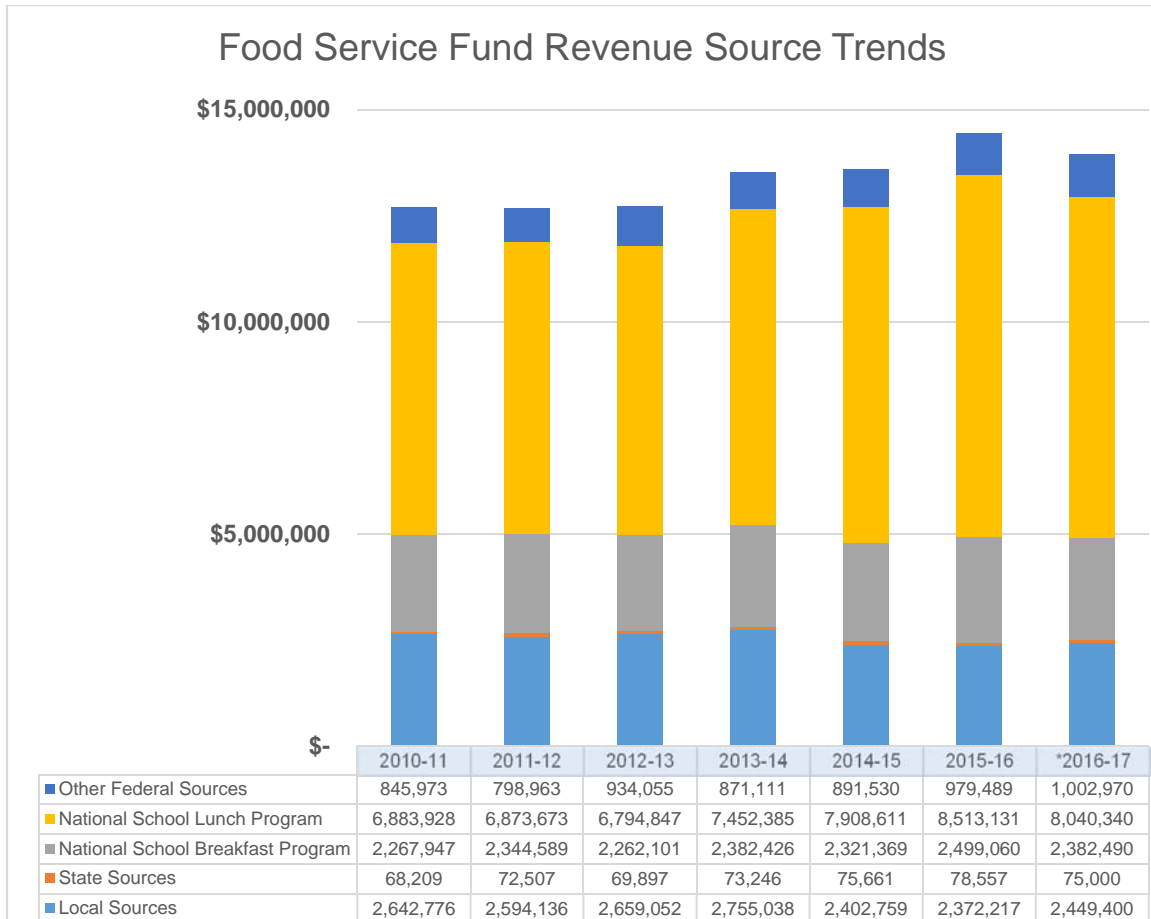
Texas Comptroller  
Leadership Circle



## Food Service

### Revenues

The Food Service Fund is used in the operation of the district's cafeterias. Total Food Service Fund revenue collected for fiscal year 2015-16 was \$14,442,454 with the 2016-17 budget anticipating \$13,950,200.



\* Budget

Local revenues for the Food Service Fund consist of charges to users. Federal revenue is received from the U.S. Department of Agriculture under the National School Lunch Program (NSLP) and National School Breakfast Program (NSBP). Federal revenues are approximately 80% of the revenue collected.

The National School Lunch Program is a federally assisted meal program operating in public and nonprofit private schools and residential child care 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, signed by President Harry Truman in 1946.

Source: United States Department of Agriculture <http://www.fns.usda.gov>

NSLP and NSBP eligibility is based on federal poverty guidelines. Eligibility for the District to receive funds under the program is based on whether or not a student's family falls within the income eligibility guidelines of NSLP, but the student's participation in the program is not required. Income eligibility guidelines can be found on the United States Department of Agriculture website.

Expenditures

Food Service Fund expenditures for 2016-17 are budgeted to increase \$161,080 or 1.10% over the 2015-16 beginning budget expenditures.

The following table provides a comparison by Major Object for the 2015-16 and 2016-17 beginning budgets.

	Beginning Budget 2015-16	Beginning Budget 2016-17	Percentage change	Percentage of Total
Payroll	\$5,719,815	\$5,794,200	1.30%	39.14%
Purchased Services	358,805	358,000	-0.22%	2.42%
Supplies and Materials	8,000,500	8,152,300	1.90%	55.08%
Other Operating Costs	33,700	34,200	1.48%	0.23%
Capital Outlay	528,000	463,200	-12.27%	3.13%
<b>Total</b>	<b>\$14,640,820</b>	<b>\$14,801,900</b>	<b>1.10%</b>	<b>100.00%</b>

Over 90% of the Food Service expenditures are related to payroll and food costs.



## Trends and Forecasts

### Public Education Information Management System

The Public Education Information Management System (PEIMS) encompasses all data requested and received by TEA about public education, including student demographic and academic performance, personnel, financial, and organizational information.

The data collected through the PEIMS electronic collection method has:

- A standard set of definitions, codes, formats, procedures, and dates for the collection of data published as the PEIMS Data Standards;
- Standard edit procedures;
- An established database design;
- A production system to format and load data into the TEA enterprise database; and
- Written documentation describing the numeric and alphanumeric values stored in the database published as the Data Documentation.

TEA manages other collections for evaluation, monitoring, funding, or auditing. Many are automated, electronic collections. Currently, the major categories of data collected are:

- Organizational
- Budget
- Actual financial
- Staff
- Student demographic
- Program participation
- School leaver
- Student attendance
- Course completion
- Discipline

In compliance with the Texas Education Code, PEIMS contains only the data necessary for the legislature and TEA to perform their legally authorized functions in overseeing public education. Due to the information included in the PEIMS data, it is a very beneficial source to use for identifying and analyzing trends.

## Budget Forecast

Many factors must be considered when formulating a long range budget forecast, including enrollment projections, property tax valuation estimates, State aid estimates, legislative changes and economic conditions.

	Budgeted 2016-17	Projected 2017-18	Projected 2018-19	Projected 2019-20
<b>General Fund</b>				
Local	\$102,999,100	\$103,731,420	\$104,749,885	\$105,778,533
State	99,827,200	100,317,507	101,018,847	101,013,250
Federal	1,895,000	2,545,000	2,545,000	2,545,000
Total Revenue	<b>\$204,721,300</b>	<b>\$206,593,927</b>	<b>\$208,313,732</b>	<b>\$209,336,783</b>
Payroll	168,418,700	\$ 173,208,370	\$ 176,325,214	\$ 181,586,491
Purchased Services	18,164,300	17,509,396	17,971,896	17,950,621
Supplies and Materials	10,321,800	7,870,732	8,574,392	8,785,197
Other Operating Costs	5,863,400	4,757,480	4,385,394	4,017,796
Debt Service	371,000	969,026	992,602	1,017,006
Capital Outlay	1,582,100	1,860,663	2,942,428	3,027,062
Total Expenditures	<b>\$204,721,300</b>	<b>\$206,175,667</b>	<b>\$211,191,926</b>	<b>\$216,384,173</b>
Other Uses				
Change to Fund Balance	<b>\$0</b>	<b>\$418,260</b>	<b>(\$2,878,194)</b>	<b>(\$7,047,390)</b>
Fund Balance - Beginning	<b>\$137,997,276</b>	<b>\$137,997,276</b>	<b>\$138,415,536</b>	<b>\$135,537,342</b>
Fund Balance - Ending	<b>\$137,997,276</b>	<b>\$138,415,536</b>	<b>\$135,537,342</b>	<b>\$128,489,952</b>
<b>Debt Service</b>				
Local	\$22,197,800	\$22,419,778	\$22,643,976	\$22,870,416
State	253,400	-	-	-
Total Revenue	<b>\$22,451,200</b>	<b>\$22,419,778</b>	<b>\$22,643,976</b>	<b>\$22,870,416</b>
Debt Service	\$19,588,000	\$19,585,895	\$19,586,220	\$19,586,182
Total Expenditures	<b>\$19,588,000</b>	<b>\$19,585,895</b>	<b>\$19,586,220</b>	<b>\$19,586,182</b>
Other Uses				
Change to Fund Balance	<b>\$2,863,200</b>	<b>\$2,833,883</b>	<b>\$3,057,756</b>	<b>\$3,284,234</b>
Fund Balance - Beginning	<b>\$7,539,500</b>	<b>\$10,402,700</b>	<b>\$13,236,583</b>	<b>\$16,294,339</b>
Fund Balance - Ending	<b>\$10,402,700</b>	<b>\$13,236,583</b>	<b>\$16,294,339</b>	<b>\$19,578,573</b>

## Changes in Debt

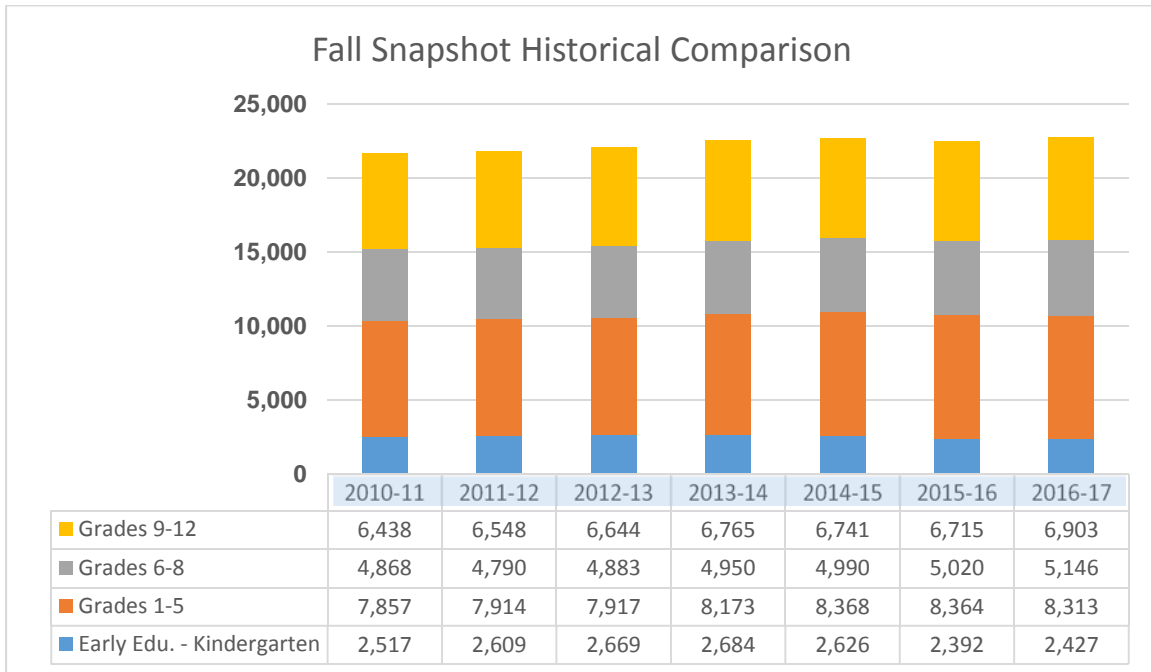
In 2015, the District refunded the Series 2005, 2006 and 2007 Bonds to reduce outstanding principal by \$17,631,543, decreasing future interest payments by \$17,401,716 for a total savings of \$35,033,259 through 2034.

The most recent bond election was held on May 7, 2016 for \$290 million, passing by 72%. The district will use the bond to address aging facilities, student safety and 21st century education. Plans will include renovations to all 25 educational facilities and 9 support facilities. As of the budget adoption date, no bond sales had occurred.

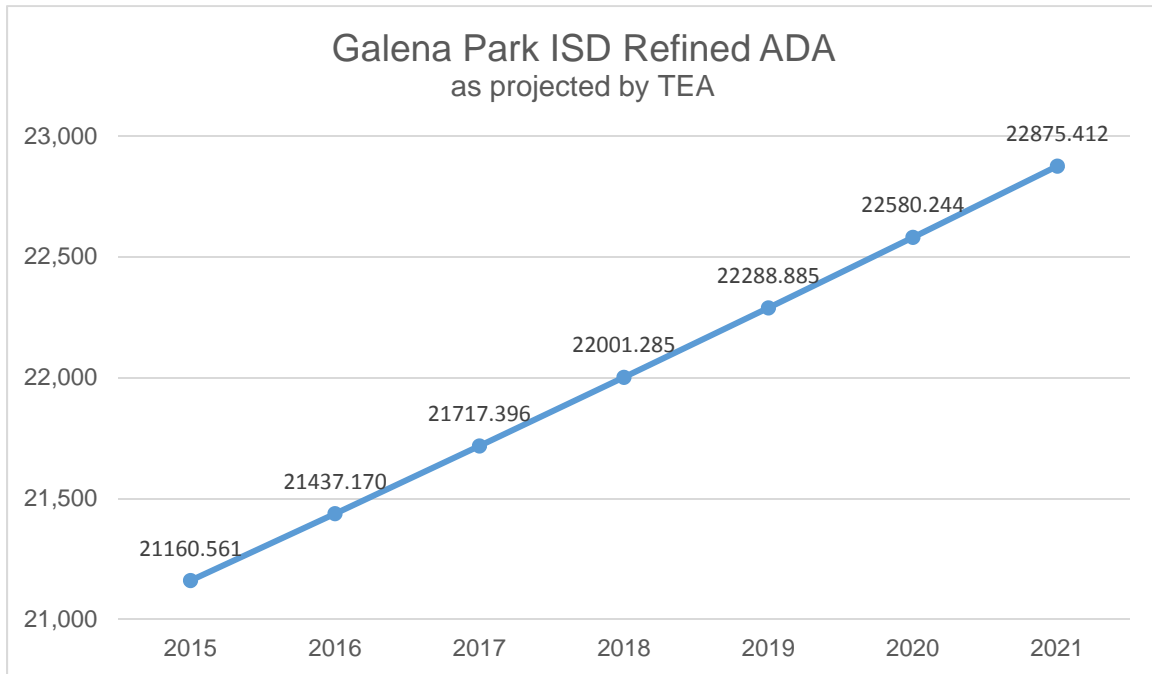
Source: North Channel Star <http://www.northchannelstar.com/2016/05/>

## Student Enrollment

The following chart details the enrollment data as of the PEIMS snapshot (final Friday in October). Snapshot provides an overview of public education in Texas, at both the state and district levels, and includes almost 100 separate data elements to either browse or download. Snapshot also combines the data into summary tables based on specific characteristics, and its peer-search function allows a user to group districts according to shared characteristics.



Attendance projections are estimates of student average daily attendance by program or instructional setting. The Texas Education Agency develops these projections and provides them to the Texas Legislature by March 1<sup>st</sup> of each odd-numbered year. The legislature then uses these projections to determine the cost of public education for the next biennium. The finalized numbers are used for the legislative planning estimates (identified as LPE) found in the Summary of Finances state aid reports.



Source: Texas Education Agency <http://tea.texas.gov>

State law requires every Texas school district to adopt an attendance accounting system that includes procedures to ensure the accurate recording and reporting of student attendance data. The Student Attendance Accounting Handbook (SAAH) contains the official attendance accounting requirements that all public school districts and open-enrollment charter schools in Texas must meet. The agency collects student attendance data primarily to ensure that Foundation School Program (FSP) funds can be correctly allocated to Texas’s public schools.

The SAAH:

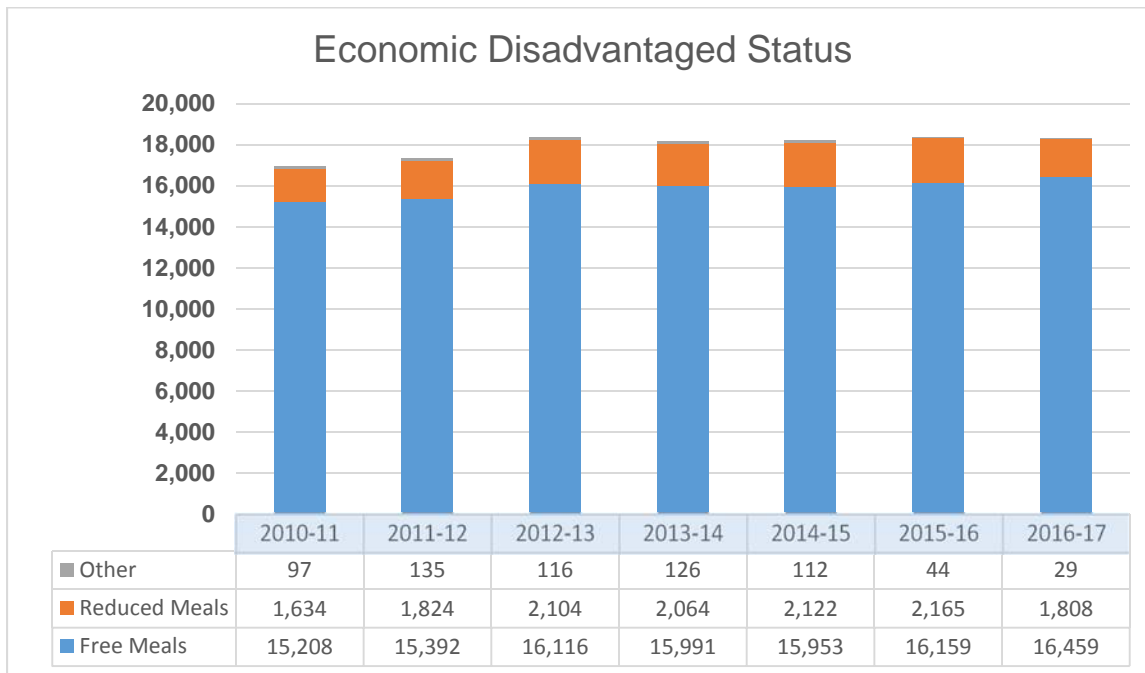
- describes the FSP eligibility requirements for all students
- prescribes the minimum standards for all attendance accounting systems
- lists the documentation requirements for attendance audit purposes
- details the responsibilities of all district personnel involved in student attendance accounting

The updated SAAH can be found on the Texas Education Agency’s website.

## Economic Disadvantaged

In order to comply with state and federal legislative mandates, it is necessary that each school district and charter school determine the economic disadvantaged status of each student for PEIMS reporting purposes. This PEIMS Submission guideline is necessary to meet a number of state legislative requirements, including student eligibility for prekindergarten programs and evaluation of student group performance for state accountability purposes. In addition, federal requirements mandate annual reporting by states using eligibility for free and reduced-price lunch status. Counts of students eligible for the program are required to be reported by states, and disaggregation by economic status of performance, participation, school completion, and other measures is a required component of the mandatory federal data collection.

Roughly 80% of the District's student population are classified as Economic Disadvantaged, either through eligibility to participate in the NSLP or other qualifying status.



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# Organizational Section

# Galena Park ISD

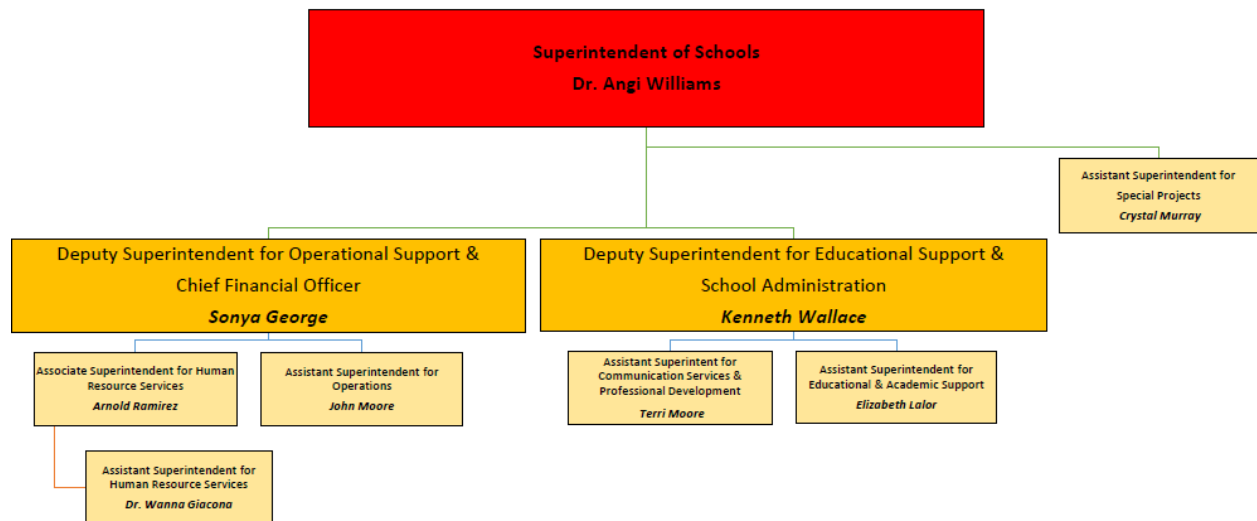
## Board of Trustees



First Row: Wanda Heath Johnson, Secretary; Wilfred J. Broussard, Jr., President; Jeff Miller, Vice President

Second Row: Ramon Garza, Board Trustee; Dawn Fisher, Board Trustee; Dr. Angi Williams, Superintendent of Schools; Minnie Rivera, Board Trustee; Joe Stephens, Board Trustee

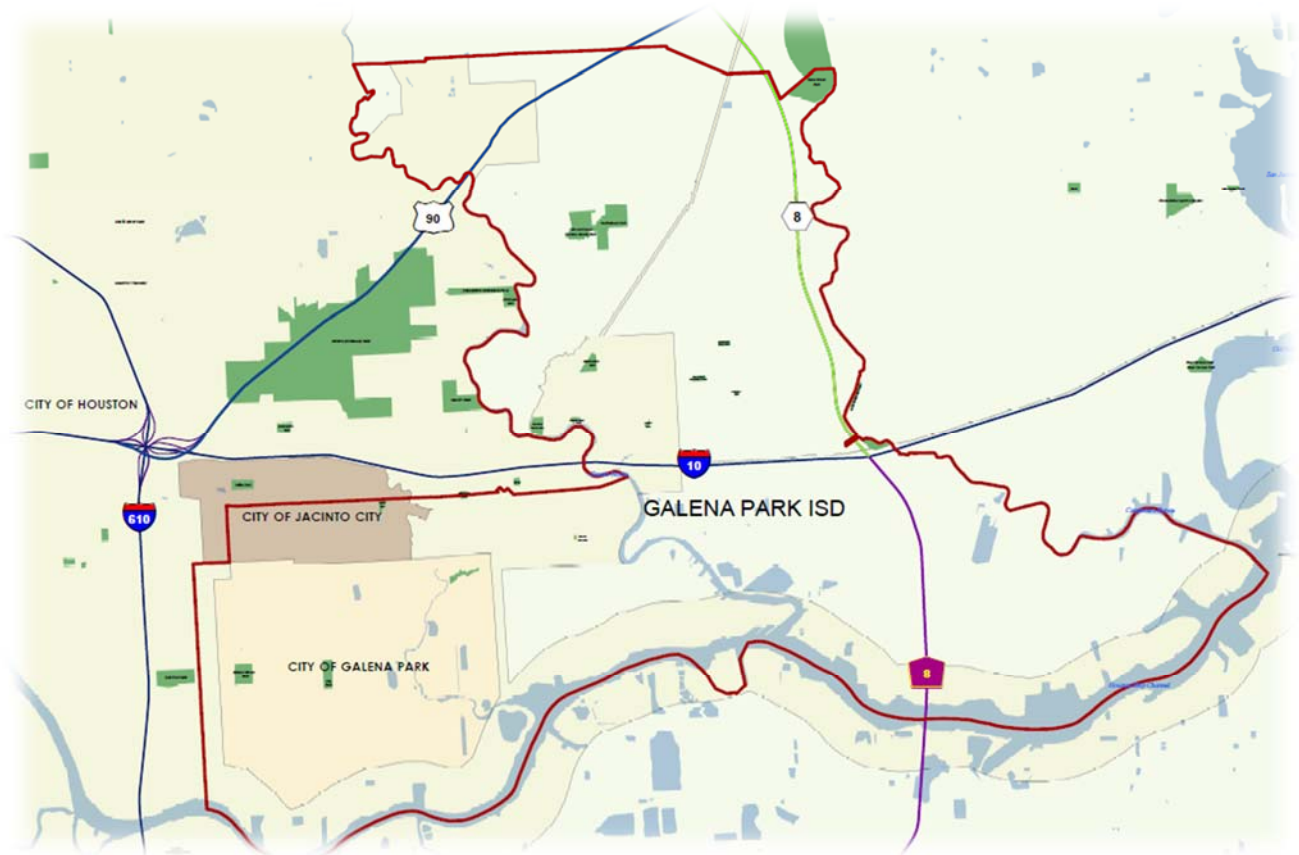
## Organizational Chart 2016-17



## General Information

The Galena Park Independent School District comprises 33 square miles located in southeastern Harris County, Texas, completely surrounded by the city of Houston. Large portions of the district's boundaries are formed by the Houston Ship Channel, Greens Bayou, Carpenter Bayou, and Market Street in Jacinto City. Included within its boundaries is the City of Galena Park, a portion of the City of Jacinto City, unincorporated communities of Greens Bayou, Woodland Acres, Cloverleaf Addition, and a small portion of the City of Houston. Residents within this area elect a seven-member Board of Trustees, which has been granted decision-making authority, and therefore the District is not included in any other governmental "reporting entity".

Due to the District's proximity to the Houston Ship Channel, many residents are employed in the industrial areas surrounding the channel, including chemical and oil refineries. Houston's economic outlook has been positive, with energy, healthcare, transportation and distribution sectors supporting a continuous growth in the tax base.



*Galena Park Independent School District physical Boundaries*

The educational program offered to those within the district's boundaries is fully accredited by the Accreditation Division of the Texas Education Agency for grades K-12. Campuses include three high schools, one freshman center, four middle schools, one 6<sup>th</sup> grade campus and fifteen elementary schools, providing services for 22,789 students. In addition to the regular education program, the District offers comprehensive programs in the areas of career and technology education, special education, bilingual education, compensatory education and gifted and talented education.

*Sources: North Channel Area Chamber of Commerce <http://www.northchannelarea.com>; Galena Park Independent School District <http://www.galenaparkisd.com>; Texas Education Agency <http://www.tea.texas.gov>*

The mission of Galena Park ISD is to prepare students to become productive citizens and lifelong learners.



## Campus Leadership

### Galena Park High School

---

Principal	Tony Gardea
Associate Principal	Seretha Augustine
Associate Principal	Juan Ramirez
Assistant Principal	Dr. Joey Washington
Assistant Principal	Krystle Breden

Serves Grades 9-12

Student Enrollment: 2,052

### North Shore Senior High School, 9th Grade Center

---

Principal	Jason Bollich
Associate Principal	Antonio Avalos
Assistant Principal	Chris Eckford
Assistant Principal	Alan Moye

Serves Grades 9

Student Enrollment: 1,250

### North Shore Senior High School

---

Principal	Dr. Joe Coleman
Associate Principal	Kimberly Martin
Assistant Principal	Erik Esparza
Assistant Principal	Kenneth Bryant
Assistant Principal	Mack Eagleton
Assistant Principal	Chris Griffith
Assistant Principal	Jilian Howard
Assistant Principal	Wiley Johnson
Assistant Principal	Amilee Sanchez
Assistant Principal	Kae Walker

Serves Grades 10-12

Student Enrollment: 3,588

### Early College High School

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Principal	Dr. Jeff Hutchison
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Serves Grades 9-12

## Cobb 6th Grade

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Principal	Wendell Deason
Assistant Principal	Adrian Hurtado
Assistant Principal	Lynn Gardner
Assistant Principal	Michelle Smith

Serves Grade 6

Student Enrollment: 1,167

## Galena Park Middle

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Principal	Shaunte Morris
Assistant Principal	Janette Ramirez
Assistant Principal	James Hair
Assistant Principal	Margo Kelly

Serves Grades 6-8

Student Enrollment: 1,023

## North Shore Middle

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Principal	James Cline
Assistant Principal	Bartholomew Graves
Assistant Principal	Nato James
Assistant Principal	Diana Mendieta
Assistant Principal	LaKeisha Washington

Serves Grades 7-8

Student Enrollment: 1,399

## Cunningham Middle

---

Principal	Davie Pierson
Assistant Principal	Barika Noris
Assistant Principal	Dayne Robins
Assistant Principal	Roberto Gonzalez

Serves Grades 7-8

Student Enrollment: 1,015

## Woodland Acres Middle

---

Principal	Lee Ramirez
Assistant Principal	Jose Trevino
Assistant Principal	Lucia Palazzi

Serves Grades 6-8

Student Enrollment: 542

### Cimarron Elementary

---

Principal Cynthia Galaviz  
Assistant Principal Wendy McGee  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 780

### Cloverleaf Elementary

---

Principal Lee Brown  
Assistant Principal Janie Jimenez  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 805

### Galena Park Elementary

---

Principal Jaime Rocha  
Assistant Principal Laurie Crockett  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 621

### Green Valley Elementary

---

Principal Grace Devost  
Assistant Principal Johnathan Sutton  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 780

### Havard Elementary

---

Principal Toshia Gouard  
Assistant Principal Brien Keil  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 700

### Jacinto City Elementary

---

Principal Rebecca Gardea  
Assistant Principal Cecilia Meza  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 791

### MacArthur Elementary

---

Principal Maria Munoz  
Assistant Principal John Killough  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 711

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### Normandy Crossing Elementary

---

Principal Irene Benzor  
Assistant Principal Jarrett Johnson  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 668

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### North Shore Elementary

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Principal Esmeralda Perez  
Assistant Principal James Husband  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 994

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### Purple Sage Elementary

---

Principal Robin Blount  
Assistant Principal Lisa Hamblen  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 596

---

### Pyburn Elementary

---

Principal Conrad Rivera  
Assistant Principal Stephanie Chaves  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 642

---

### Sam Houston Elementary

---

Principal Michelle Cavazos  
Assistant Principal Jessica Sanchez  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 854

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### Tice Elementary

---

Principal Arronda Green  
Assistant Principal Steve Alley  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 714

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### Shirley J. Williamson Elementary

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Principal Paula Patterson  
Assistant Principal Lemond Mitchell  
Serves Grades Pre-Kindergarten-5  
Student Enrollment: 625



## Woodland Acres Elementary

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Principal	Bianca Shaughnessy
Assistant Principal	Sandra Rodriguez

Serves Grades Pre-Kindergarten-5  
Student Enrollment: 459

## ZOTZ Education Center

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Principal	Julien Guillory
Assistant Principal-ACE	Marcus Morrow
Assistant Principal-BTC	Kresha Lane
Assistant Principal-CFS	David Lovinggood
Night School Administrator	Kenneth Bush

Alternative Campus Programs:  
*Accelerated Center for Education (ACE)*  
*Behavior Training Center (BTC)*  
*Center For Success (CFS)*  
*Night School*

## District Improvement Plan

The District Improvement Plan is developed, revised and updated by members of the Cabinet, Extended Cabinet, and other Administrators. The strategic goals should be in accordance with the District mission statement, to prepare students to become productive citizens and lifelong learners. Each goal is further defined by specific Performance Objectives. Quarterly reviews examine evidence that proper strategies are followed to demonstrate successful implementation of the Performance Objectives. For fiscal year 2016, the District Improvement Plan is as follows:

- **Goal 1: The District will provide a safe and productive learning/working environment for students and employees.**
  - **Performance Objective 1:** Conduct and monitor District drills and emergency procedures in the District.
  - **Performance Objective 2:** Educate students and parents on violence prevention and intervention.
  - **Performance Objective 3:** Continue a coordinated Health/Wellness program.
  - **Performance Objective 4:** Continue to implement Foundations efforts in the district.
  - **Performance Objective 5:** Continue to provide instruction on acceptable use of digital tools and resources to students and employees.
- **Goal 2: The District will provide effective counseling services, opportunities and information to assist students in preparing for college and career readiness.**
  - **Performance Objective 1:** Increase student, teacher and parent awareness of college and career opportunities.
  - **Performance Objective 2:** Increase participation and performance on college and career readiness indicators.
  - **Performance Objective 3:** Ensure counselor's role retains focus on implementation of the Comprehensive Guidance Program to assist students in developing skills they need to enhance their personal, social, emotional and career development.
  - **Performance Objective 4:** Provide transitional opportunities to students and parents.
  - **Performance Objective 5:** Continue to provide counseling services on relevant topics to students.
- **Goal 3: The District will define and implement measures by which student success for all subgroups can be determined for the tested foundation areas of curriculum.**
  - **Performance Objective 1:** All students will improve their academic performance in ELA/Reading and Writing.
  - **Performance Objective 2:** All students will improve their academic performance in Math.

- **Performance Objective 3:** All students will improve their academic performance in Science.
- **Performance Objective 4:** All students will improve their academic performance in Social Studies.
- **Performance Objective 5:** All students will improve their academic performance in Instructional Technology.
- **Performance Objective 6:** Monitor student performance and achievement gap of special populations and programs.
- **Performance Objective 7:** District and campuses will meet all state and federal accountability standards.
- **Performance Objective 8:** District will maintain compliance with all district, state and federal requirements.
- **Goal 4: The District will define and implement measures by which student success can be determined for enrichment and extracurricular areas not tested by the State of Texas Assessment of Academic Readiness (STAAR - Texas' new academic accountability system).**
  - **Performance Objective 1:** Increase student participation in Fine Arts programs.
  - **Performance Objective 2:** Increase student participation in extra-curricular activities.
- **Goal 5: The District will have a 96.5% or higher student attendance rate and a 97% or higher teacher attendance rate.**
  - **Performance Objective 1:** Ensure students and parents understand the importance of attending school regularly and completing high school.
  - **Performance Objective 2:** Develop intervention strategies to improve graduation, retention and drop-out rates.
  - **Performance Objective 3:** Implement strategies to monitor and increase teacher attendance.
  - **Performance Objective 4:** Provide support to campuses to identify student attendance barriers and meet/exceed District goal.
- **Goal 6: The District will provide opportunities for parental involvement.**
  - **Performance Objective 1:** Continue to improve parent involvement, community relations and opportunities to participate in district/campus planning and decision making.
  - **Performance Objective 2:** Increase parent involvement and volunteer opportunities.
  - **Performance Objective 3:** Expand efforts in communicating with parents, students and the community.
  - **Performance Objective 4:** Maintain compliance with all Title I parent involvement requirements.
- **Goal 7: The District will provide professional development opportunities for staff to improve instruction and skill sets for their respective positions and strive to have 100% Highly Effective staff through recruiting, training and retention.**
  - **Performance Objective 1:** Provide professional development to increase student achievement and job performance.
  - **Performance Objective 2:** Enhance programs that increase district's leadership capacity.

- **Performance Objective 3:** Increase training on the use of instructional technology to support instruction.
- **Performance Objective 4:** Maintain compliance with all Highly Qualified requirements.
- **Performance Objective 5:** Continue to assess and implement efforts in recruiting and retaining highly qualified staff in identified shortage areas.
- **Performance Objective 6:** Continue to promote the Homegrown Program and university partnerships.
- **Performance Objective 4:** Continue to implement strategies to address the teacher retention rate.
- **Goal 8: The District will provide prudent stewardship of its financial resources to best support student success.**
  - **Performance Objective 1:** Continue to develop and present transparent financial information demonstrating commitment to high quality professional standards.
  - **Performance Objective 2:** Maintain an internal control framework where policies and procedures are created, implemented and communicated to ensure resources are safeguarded against waste, loss or abuse.
  - **Performance Objective 3:** Ensure and demonstrate efficient and effective use of district financial resources.
  - **Performance Objective 4:** Maintain the allocation of available resources to maximize student achievement and ensure accommodation of student growth.



## Relevant Financial Policies

**Budget.** Budget planning is an integral part of 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 are considered. Budget planning and evaluation are continuous processes and are a part of each month's activities.

**Fund Balance.** Recognizing fund balance as key in maintaining a strong financial position, the Board policy regarding fund balance stipulates a goal of maintaining an adequate fund balance. The level of adequacy for the general fund unassigned fund balance is defined as 12% of the current budget, while the debt service fund is defined as 15% of the current year debt service requirements.



**Financial Planning.** The District is subject to revenue limitations as outlined in the Texas Education Code. The revenues are derived from a target revenue formula based primarily on student attendance, adjusted for funding "weights" associated with the students' educational settings. Under the target revenue system, the district's maintenance and operations revenues from property tax and state aid are capped. As collections from property taxes increase, state aid is reduced by a similar amount. On an ongoing basis, the District adjusts future projections as new data become available. The district maintains a Five-year Technology plan and a Long-range facilities plan.

**Cash Deposits.** The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas School Depository Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the District's and the depository banks' agent bank. The pledged securities are approved by the Texas Education Agency and shall be in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance. The District's cash balances are properly insured and collateralized with securities held by the District's agent in the District's name.

**Investment.** The District's investment policy is in accordance with the Public Funds Investment Act, the Public Funds Collateral Act, and federal and state laws. The District further limits its investments to obligations of the U.S. Treasury or the State of Texas, certain U.S. Agencies, certificates of deposit, collateralized mortgage obligations, no-load money market mutual funds, certain municipal securities, repurchase agreements, or investment pools. Investments for the District are reported at fair value based on quoted market prices at the fiscal year end. The investment pools operate in accordance with appropriate state laws and regulations. Per Board policy, the primary goal of the investment program is to ensure safety of principal, to maintain liquidity, and to maximize financial returns within current market conditions. The reported value of the pools is the same as the fair value of the pool shares.



## Classification of Revenues and Expenditures

Section 44.007 of the Texas Education Code (Code or TEC) requires that a standard school district fiscal accounting system be adopted by each school district. The system must meet at least the minimum requirements prescribed by the State Board of Education and also be subject to review and comment by the state auditor. Additionally, the accounting system must conform to Generally Accepted Accounting Principles (GAAP) as applied to governmental entities, in addition to the Texas Education Agency's Financial Accountability System Resource (FAR) Guide. This section further requires that a report be provided at the time that the school district budget is filed, showing financial information sufficient to enable the state board of education to monitor the funding process and to determine educational system costs by school district, campus and program.

*Sources: Texas Education Agency Financial Accountability System Resource Guide  
<http://tea.texas.gov/index2.aspx?id=25769817568>*

The account code structure utilized by the District is as follows:

- **Fund Code:** Mandatory 3-digit code 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:** Mandatory 2-digit code that identifies the purpose of the transaction. The first digit identifies the major service area, and the second refers to the specific function within the area.
- **Object Code:** Mandatory 4-digit code identifying the nature and object of an account. The first digit identifies the type of account or transaction, the second identifies the major area, while the third and fourth digits provide further sub-classification.
- **SubObject Code:** An optional code defined by the District to provide a means of tracking specifically identified programs or transaction types.
- **Organization Code:** Mandatory 3-digit code used to identify the campus or department.
- **Program Intent Code:** Mandatory 2-digit code used to identify and designate services to students.
- **Budget Manager Code:** An optional code defined by the District to identify the department or campus responsible for the transaction.
- **Project Code:** An optional code defined by the District to provide special accountability for certain programs or areas.

The Texas Education Agency's FAR Guide is used to ensure all mandatory codes are reported in accordance with the uniform structure utilized by Texas school districts.

The Board adopts budgets at the fund and function level, and any budgetary changes to these codes must be approved by the Board before implementation. Expenditure

requests which would require an increase in total budgeted appropriations must be approved by the Trustees through formal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available and estimated revenues. State law also prohibits amendment of the budget after fiscal year end.



## Fund Accounting

The term *fund* refers to a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. This budget document contains detailed information on the budgeted funds adopted annually by the Board of Trustees, including the General Fund, Food Service Fund, and Debt Service Fund. The District also maintains a Capital Projects fund, which is not adopted by the Board annually. All funds use the modified accrual system of accounting, recording revenues and expenditures in the period they become both measurable and available.

### **General Fund**

The General Fund is used to record the general operating, campus and department transactions that occur throughout the year, activities not properly includable in other funds. Revenue is primarily sourced from local property taxes, state funds, and interest on fund investments. Expenditures include all necessary costs for daily operation of the schools.



### **Special Revenue Funds**

Funds awarded to the district for the purpose of accomplishing specific educational tasks as defined by grantors in contracts or other agreements are accounted for in Special Revenue Funds.

### **Food Service Fund**

The operation of the District's Food service program is accounted for in the Food Service Fund, including local, state, and federal revenue sources and all program operational costs.

### **Debt Service Fund**

The Debt Service Fund is used to account for principal and interest on all bonds of the District. Local property taxes are the primary source of revenue for this fund.

### **Capital Projects Fund**

Projects financed by the proceeds from bond issues are accounted for in the Capital Projects Fund, on a project basis.

## Function

The Function Code identifies the purpose of the transaction. The first digit identifies the major service area, and the second refers to the specific function within the area. The Texas Education Agency's FAR Guide offers specific examples regarding the use of these codes.

- **10 Instruction and Instruction Related Services**
  - **11 – Instruction:** This function is used for activities that deal directly with the interaction between teachers and students. This function includes expenditures for direct classroom instruction and other activities that deliver, enhance, or direct the delivery of learning situations to students. Expenditures for the delivery of instruction in regular program basic skills, bilingual programs, compensatory, remedial or tutorial programs, gifted and talented educational programs, and vocational education programs are classified in function 11. For example, function 11 includes classroom teachers, teacher aides, and graders, but does not include curriculum development (13) or principals (23).
  - **12 – Instructional resources and Media Services:** This function is used for 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 (11) or reference books in the classroom (11).

- **13 – Curriculum Development and Instructional Staff Development:** This function is used for expenditures that are directly and exclusively used to aid instructional staff in planning, developing, and evaluating the process of providing 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 in-service training (11 or 12).
- **20 Instructional and School Leadership**
  - **21 – Instructional Leadership:** This function encompasses those district-wide activities, which have as their purpose managing, directing, and supervising the general and specific instructional programs and activities. For example, function 21 includes instructional supervisors, and Associate Superintendent for Instruction, but does not include principals (23).
  - **23 – School Leadership:** This function includes expenditures for directing, managing, and supervising a school. It includes salaries and supplies for the principal, assistant principal, and other administrative and clerical staff, including attendance clerks.
- **30 Support Services – Student**
  - **31 – Guidance, Counseling, and Evaluation Service:** This function includes expenditures for testing and assessing students' abilities, aptitudes, and interests with respect to career and educational goals and opportunities. It includes psychological services, testing, and counseling.
  - **32 – Social Work Services:** This function includes expenditures, which directly and exclusively promote and improve school attendance. Examples include visiting teachers, home aides, and truant officers.
  - **33 – Health Services:** This function embraces the area of responsibility providing health services, which are not a part of direct instruction. It includes medical, dental, and nursing services.
  - **34 – Student Transportation:** This function includes the cost of providing management and operational services for transporting students to and from school. Function 34 includes transportation supervisors and bus drivers, but does not include field trips (11) or student organization trips (36).
  - **35 – Food Services:** This function includes the management of the Food Service program at the schools and the serving of meals, lunches, or snacks in connection with school activities. Function 35 includes salaries for cooks and food purchases, but does not include concession stands (36).
  - **36 – Extracurricular Activities:** This function incorporates those activities, which are student, and curricular related, but which are not

necessary to the regular instructional services. Examples of cocurricular activities are scholastic competition, speech, debate, and band. Examples of extracurricular activities are football, baseball, etc. and the related activities (drill team, cheerleading) that exist because of athletics. Function 36 includes athletic salary supplements paid exclusively for coaching, directing, or sponsoring extracurricular athletics, but does not include salaries for teaching physical education (11).

- **40 Administrative Support Services**
  - **41 – General Administration:** This function includes expenditures incurred for the overall administrative responsibilities of the school district. It includes expenditures for the school board, superintendent's office, tax office, personnel services, financial services, and administrative attendance personnel.
- **50 Support Services – Non-Student Based**
  - **51 – Maintenance:** This function deals with expenditures made to keep buildings, grounds, and equipment safe for use and in efficient working condition. Examples include janitors, facility insurance premiums and utilities.
  - **52 – Security and Monitoring Services:** A function for which expenditures are directly and exclusively 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. Examples include security guards, crossing guards and police.
  - **53 – Data Processing Services:** Non-instructional data processing services which include computer facility management, computer processing, systems development, analysis and design. Personal computers (PC's) that are stand-alone are to be charged to the appropriate function. Peripherals including terminals and printers are to be charged to the appropriate function.
- **60 Ancillary Services**
  - **61 – Community Service:** This function encompasses all other activities of the school district, which are designed to provide a service or benefit to the community as a whole or a portion of the community. Examples would include recreation programs, public library services, and parenting programs.
- **70 Debt Service**
  - **71 – Debt Service:** This function includes expenditures for bond and lease purchase principal, and all types of interest paid.
- **80 Capital Outlay**
  - **81 – Facilities Acquisition and Construction:** This function includes the acquisition of land and buildings, the remodeling of buildings and additions to buildings, and installation and extension of service systems and other build-in systems.
- **90 Intergovernmental Charges**

- **91 – Contracted Instructional Services Between Public Schools:** This function code is used for expenditures that are for (1) Obtaining instructional services from another public school for grade levels not served in a school district under Section 25.039 TEC. (2) Providing financial resources for services to another public school through a contract for education of nonresident students under Subchapter E, Chapter 41, TEC. (3) Purchasing attendance credits from the state under Subchapter D, Chapter 41, TEC.
- **92 – Incremental Costs Associated with Chapter 41, TEC, Purchase or Sale of Weighted Average Daily attendance (WADA):** This function code is used for expenditures that are for the purpose of positioning a school district with excess wealth per WADA to purchase attendance credits either form the state or from other school district(s).
- **95 – Payments to Juvenile Justice Alternative Education Programs:** This function is used for expenditures that are for the purpose of providing financial resources for Juvenile Justice Alternative Education Programs.
- **97 – Payments to Tax Increment Fund:** This function code is used for expenditures that are for the purpose of providing financial resources paid into a tax increment fund under Chapter 311, Tax Code.
- **99 – Other Governmental Charges:** This function code is used to record other intergovernmental charges not defined above. Examples would be amounts paid to other governmental entities such as county appraisal districts for costs related to the appraisal of property.



## Budget Development Process

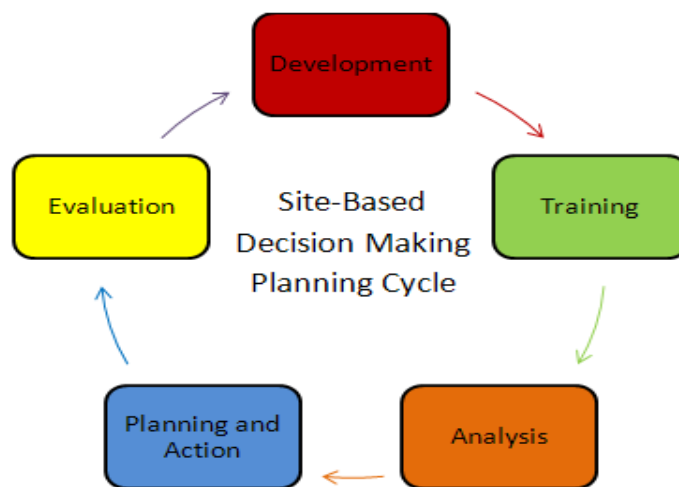
The annual budget serves as the foundation for the District's financial planning and control, and is an integral piece of the ongoing operations. Planning and development begins in January each year with the Superintendent and administrative leadership team determining the parameters to be used as a guide for the resource allocation process. The budget must effectively reflect the programs and activities offered by the District and provide the resources to implement them.

The Chief Financial Officer prepares revenue projections for all funds. These projections are based on estimates of local tax revenue, enrollment projections, State funding formulas, and other significant factors. The complexity of the State funding formula is compounded by changes that the Legislature regularly makes when they meet every other year to consider changes to the State Funding formula and other issues. Property taxes are the District's most significant source of local revenue.

The District is subject to revenue limitations as outlined in the Texas Education Code. The revenues are derived from a target revenue formula based primarily on student attendance, adjusted for funding "weights" associated with the students' educational settings. Under the target revenue system, the District's maintenance and operations revenues from property taxes and state aid are capped. As collections from property taxes increase, state aid is reduced by a similar amount. On an ongoing basis, the District adjusts future projections as new data become available. The District maintains a Five-year Technology plan and a Long- range facilities plan.

The budget process is part of a continuous cycle to achieve organizational goals. Campus Principals and Department Directors must consider the approved District Improvement Plan, general educational goals, specific program goals, and alternatives for achieving program goals when preparing allocation proposals for the funds allotted to their campus/department's expense.

- Planning defines the goals and objectives of the organization
- Budgetary resource allocations are the preparation phase of the budget
- Evaluation typically involves an examination of how the funds were expended, what outcomes resulted from the expenditure of funds and to what extent these outcomes achieved goals and objectives that were identified during the planning process.



Each campus receives an allocation as part of the District’s general fund budget, providing an opportunity for the campus to budget the allocation to meet their needs. The principal is responsible for allocating resources to cover the costs of instructional needs, library resources, campus initiated staff developments, school leadership requirements, health services, guidance and testing, and capital outlay. The authority to budget the campus allocation comes with accountability for student outcomes.

Campus allocations are based on the calculation below. With Average Daily Attendance (ADA) being a driving force of revenue, projected ADA is used to determine the allocation for each campus.

Elementary Schools	Projected ADA x \$100
Middle Schools	Projected ADA x \$109
High Schools	Projected ADA x \$173

A campus typically receives other funding allotments from several different sources such as: State Compensatory Education, Title I, IDEA B, and other miscellaneous grants.

Department allocations are based on the prior year allocation including any permanent increases or decreases that occurred during the year. When developing the budget, department budget managers should consider:

- The goals and objectives identified in the District Improvement Plan (DIP)
- Past expenditure levels by function, object code and program intent code (for budget managers servicing special population groups)

Principals and directors submit these proposals to the Business Services Department for compilation, summarization, and preparation of a draft budget, prioritizing requests

and reductions in accordance with the Superintendent's parameters. The preliminary budget is then presented and discussed with the Board of Trustees. The proposed budget must be prepared by August 20<sup>th</sup> for the September 1<sup>st</sup> fiscal year start date. The Board President must call a Board meeting for the purpose of discussing and adopting the budget and tax rate; a public notice of which is required to be published at least 10 days, but not more than 30 days, prior to the public meeting.

### Budget Planning Timeline

#### ***March***

- Campuses receive budget allocation amounts and instructions
- Alio budget preparation training for Financial Secretaries
- Principals receive approval from CPAC for proposed budget
- Budget managers enter budget request in financial software

#### ***April***

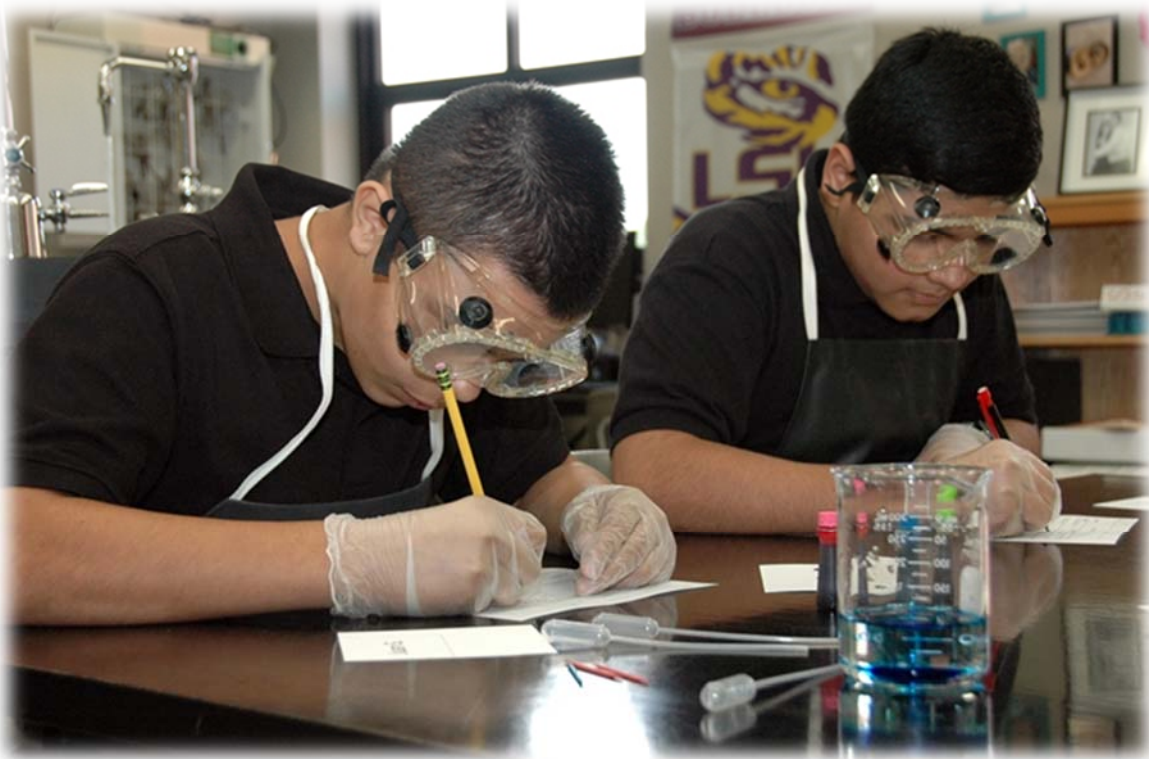
- Submit completed campus and department budgets

#### ***May***

- Submit Preliminary Budget document to Board of Trustees

#### ***August***

- Submit Proposed Budget to Board of Trustees
- Adopt Budget.



The compensation budget comprises nearly 80% of the General Fund budget, and is developed by analyzing prior year expenditures and taking into consideration the following changes:

- Vacant positions to be filled
- Additional positions requested and approved by the Board
- Teacher Step increments
- Board approved salary increases
- Increases to benefit costs, including Teacher Retirement System (TRS) on-behalf payments

Once budget proposals are submitted, the Business Office consolidates and summarizes the data to a report presented to the Board. Additional funding requests are considered as curriculums and operational projects are developed through the summer months. These requests are included in the final report presented to the Board for adoption in August.

## **Budget Administration and Management Process**

Once the Board of Trustees adopts the budget, the administration and management process begins. Revenue and expenditure budgets are monitored constantly to ensure that they do not exceed authorized amounts and that they are used for intended, proper, and legal purposes.

### **Procurement**

Procurement guidelines have been established to maintain uniform procedures for purchasing goods and/or services needed by the District. These Guidelines:

- Ensure that purchases are made consistent with all legal purchasing requirements and local Board policies.
  - Directors, Principals, and others responsible for making purchasing decisions for the District receive training to become familiar with established procedures so the District may maintain control over purchasing operations.
- Allow the District to receive the best possible good and/or service at the best value.
  - It is in the District's interest to make decisions that enable us to secure goods and/or services that provide the best value for the District and not simply the lowest price.

### **Monitoring and Amending the Budget**

The financial software utilized by the District allows users to access reports to maintain the budget portion allotted to their campus or department. The Business Services



department also monitors these budgets, providing guidance to help manage the allocation.

Since the budget is adopted at the Fund and Function level, the Board is notified regarding any budget changes to these levels, and the change is not incorporated until receiving its approval. Budget Change Requests affecting the Fund and Function levels are submitted at the monthly Board Meeting.

### **Reporting**

Financial transaction data is provided to the Board and posted the District's website. At fiscal year end, the year's transactions are analyzed and presented in the District's Comprehensive Annual Financial Report (CAFR).

The adopted budget is reported to TEA on an annual basis through the fall Public Educational Information Management System (PEIMS) submission.



## Key Revenues and Expenditures

### General Fund

The General fund revenue projections are based on estimates of local tax revenue, State funding formulas, and other significant factors. Total General Fund revenue collected for fiscal year 2015-16 was \$215,074,249, with the 2016-17 budget conservatively anticipating \$204,721,300.

Revenue from local property taxes make up approximately 40% of the District's revenue, and property values in the area have been steadily increasing over the past years. Property taxes accounted for \$100,934,605 of the District's total revenue for fiscal year 2015-16.

The District is subject to revenue limitations as outlined in the Texas Education Code; under the target revenue system, the District's maintenance and operations revenues from property taxes and state aid are capped. As collections from property taxes increase, state aid is reduced by a similar amount.

The Foundation School Program, administered by the Texas Education Agency, is meant to ensure that all school districts, regardless of property wealth, receive "substantially equal access to similar revenue per student at similar tax effort, considering all state and local tax revenues of districts after acknowledging all legitimate student and district cost differences." Foundation School Program payments accounted for \$97,215,927 of the District's total revenue for fiscal year 2015-16.

Education is a very labor-intensive process, and the budget reflects this by allocating approximately 80% to payroll expenditures annually. For fiscal year 2015-16, \$163,545,872 was spent on payroll costs.

### Debt Service

The Debt Service Fund is used to account for the payment of interest and principal on all bonds of the district. The primary sources of revenue for the Debt Service Fund is local property taxes. Total Debt Service Fund revenue collected for fiscal year 2015-16 was \$23,575,996, with \$21,891,688 coming from property tax payments.

All Principal and interest payments are due February 15<sup>th</sup> and August 15<sup>th</sup> of each year. In fiscal year 2015-16, the District paid \$14,015,000 in bond principal and \$6,039,378 in interest.

Total outstanding debt as of August 1<sup>st</sup>, 2016 is \$341,141,723.76.

## **Food Service**

The Food Service Fund is used in the operation of the district's cafeterias. Total Food Service Fund revenue collected for fiscal year 2015-16 was \$14,442,454 with the 2016-17 budget anticipating \$13,950,200.

Federal revenue is received from the U.S. Department of Agriculture under the National School Lunch Program (NSLP) and National School Breakfast Program (NSBP). A total of \$11,012,191 was received through these programs for fiscal year 2015-16. NSLP and NSBP eligibility is based on federal poverty guidelines. Eligibility for the District to receive funds under the program is based on whether or not a student's family falls within the income eligibility guidelines of NSLP, but the student's participation in the program is not required. Income eligibility guidelines can be found on the United States Department of Agriculture website.

Local revenues for the Food Service Fund primarily consist of charges to users. For fiscal year 2015-16, \$2,333,083 of the total revenues were collected by this method.

The two largest expenses accounted for in the Food Service fund are payroll and food costs, comprised of \$5,794,200 and \$5,806,253 (respectively) for fiscal year 2015-16.



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# Financial Section

## Overview and Highlights

Development of the District Budget follows federal, state, and local guidelines. Annually, the Board of Trustees reviews and adopts General Fund, Food Service, and Debt Service funds.

### Revenues

#### **General Fund**

The largest portions of funding in the General Fund consists of local property taxes and State aid via the Foundation School Program together accounting for around 90% of the District's revenue for this fund. Property tax collections have an inverse effect on the state aid calculations; growing revenues from property taxes will result in a decline in state revenue. The remainder of the revenues necessary to fund operating expenditures is derived from other State and Federal funding sources. For additional information, see the General Fund section of this book.

#### **Debt Service**

A majority of funding is derived from a designated allocation of the property tax rate, 92.86% for 2015-16. The remainder of the Debt Service revenue is from interest income derived from temporary investments, 0.17% for 2015-16. For additional information, see the Debt Service Fund section of this book.

#### **Food Service**

Approximately 80% of the revenue in this fund is received from federal sources, primarily from the United States Department of Agriculture (USDA) under the National School Lunch Program, the School Breakfast Program, and the Food Distribution Program. The remaining revenue is primarily generated from user fees - i.e. student payments for meals. For additional information, see the Food Service Fund section of this book.

2016-17 Adopted Budget Short Summary								
	General Fund		Debt Service		Food Service		District Totals	
	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total	Revenue	% of Total
Local	\$ 102,999,100	50.31%	\$ 22,197,800	98.87%	\$ 2,449,400	17.56%	\$ 127,646,300	52.94%
State	99,827,200	48.76%	253,400	1.13%	75,000	0.54%	100,155,600	41.54%
Federal	1,895,000	0.93%	-	0.00%	11,425,800	81.90%	13,320,800	5.52%
<b>Total Revenue</b>	<b>\$ 204,721,300</b>	<b>100.00%</b>	<b>\$ 22,451,200</b>	<b>100.00%</b>	<b>\$ 13,950,200</b>	<b>100.00%</b>	<b>\$ 241,122,700</b>	<b>100.00%</b>
	Expenditures	% of Total	Expenditures	% of Total	Expenditures	% of Total	Expenditures	% of Total
Payroll Costs	\$ 168,418,700	82.27%	\$ -	0.00%	\$ 5,794,200	39.14%	\$ 174,212,900	72.86%
Contracted Services	18,164,300	8.87%	-	0.00%	358,000	2.42%	18,522,300	7.75%
Supplies & Materials	10,321,800	5.04%	-	0.00%	8,152,300	55.08%	18,474,100	7.73%
Other Operating Costs	5,863,400	2.86%	-	0.00%	34,200	0.23%	5,897,600	2.47%
Debt Service	371,000	0.18%	19,588,000	100.00%	-	0.00%	19,959,000	8.35%
Capital Outlay	1,582,100	0.77%	-	0.00%	463,200	3.13%	2,045,300	0.86%
<b>Total Expenditure</b>	<b>\$ 204,721,300</b>	<b>100.00%</b>	<b>\$ 19,588,000</b>	<b>100.00%</b>	<b>\$ 14,801,900</b>	<b>100.00%</b>	<b>\$ 239,111,200</b>	<b>100.00%</b>
Budget Deficit/Surplus	\$ -		\$ 2,863,200		\$ (851,700)		\$ 2,011,500	
Beginning Fund Balance	\$ 137,997,276		\$ 7,539,500		\$ 3,819,942		\$ 149,356,718	
<b>Projected Ending Fund Balance 08/31/2017</b>	<b>\$ 137,997,276</b>		<b>\$ 10,402,700</b>		<b>\$ 2,968,242</b>		<b>\$ 151,368,218</b>	



**Galena Park Independent School District  
Adopted Budgets  
For Fiscal Year Ending August 31, 2017**

		General Operating	Debt Service	Food Service	2016-17 Totals	Per Student
<b>Estimated Revenues</b>						Enrollment: 22,789
	Major Object					
Local Sources	5700	\$ 102,999,100	\$22,197,800	\$ 2,449,400	\$ 127,646,300	\$ 5,601
State Sources	5800	99,827,200	253,400	75,000	100,155,600	4,395
Federal Sources	5900	1,895,000	-	11,425,800	13,320,800	585
Transfers In	7000	-	-	-	-	-
<b>Total Estimated Revenues</b>		<b>\$ 204,721,300</b>	<b>\$22,451,200</b>	<b>\$ 13,950,200</b>	<b>\$ 241,122,700</b>	<b>\$ 10,581</b>

		General Operating	Debt Service	Food Service	2016-17 Totals	Per Student
<b>Estimated Expenses</b>						
	Function					
Instruction	11	\$ 116,400,600	\$ -	\$ -	\$ 116,400,600	\$ 5,108
Instructional Resources & Media Services	12	2,524,900	-	-	2,524,900	111
Curriculum & Staff Development	13	3,406,100	-	-	3,406,100	149
Instructional Leadership	21	5,168,900	-	-	5,168,900	227
School Leadership	23	13,639,100	-	-	13,639,100	598
Guidance, Counseling & Evaluation	31	7,509,900	-	-	7,509,900	330
Social Work Services	32	791,600	-	-	791,600	35
Health Services	33	1,698,200	-	-	1,698,200	75
Student Transportation	34	7,170,500	-	-	7,170,500	315
Food Services	35	10,700	-	14,478,300	14,489,000	636
Cocurricular/Extracurricular Activities	36	4,313,600	-	-	4,313,600	189
General Administration	41	8,491,600	-	-	8,491,600	373
Plant Maintenance & Operations	51	24,278,900	-	323,600	24,602,500	1,080
Security & Monitoring Services	52	2,517,800	-	-	2,517,800	110
Data Processing Services	53	3,836,800	-	-	3,836,800	168
Community Services	61	890,100	-	-	890,100	39
Debt Service	71	371,000	19,588,000	-	19,959,000	876
Facilities Acquisition/Construction	81	733,500	-	-	733,500	32
Other Intergovernmental Charges	99	967,500	-	-	967,500	42
<b>Total Estimated Expenses</b>		<b>\$ 204,721,300</b>	<b>\$19,588,000</b>	<b>\$ 14,801,900</b>	<b>\$ 239,111,200</b>	<b>\$ 10,492</b>
<b>Estimated Net Change in Fund Balances:</b>		<b>\$ -</b>	<b>\$ 2,863,200</b>	<b>\$ (851,700)</b>	<b>\$ 2,011,500</b>	

		General Operating	Debt Service	Food Service	2016-17 Totals	Per Student
	Major Object					
Payroll Costs	6100	\$ 168,418,700	\$ -	\$ 5,794,200	\$ 168,418,700	\$ 7,390
Professional & Contracted Services	6200	18,164,300	-	358,000	18,164,300	797
Supplies & Materials	6300	10,321,800	-	8,152,300	10,321,800	453
Other Operating Costs	6400	5,863,400	-	34,200	5,863,400	257
Debt Service	6500	371,000	19,588,000	-	19,959,000	876
Capital Outlay - Land, Buildings, & Equipme	6600	1,582,100	-	463,200	1,582,100	69
		<b>\$ 204,721,300</b>	<b>\$19,588,000</b>	<b>\$ 14,801,900</b>	<b>\$ 224,309,300</b>	<b>\$ 9,843</b>



**Galena Park Independent School District  
Combined Actual Revenues and Expenses**

	2012-13 Audited		2013-14 Audited		2014-15 Audited		2015-16 Unaudited	
	Enrollment: 22,113		Enrollment: 22,572		Enrollment: 22,725		Enrollment: 22,491	
Revenues	Per Student:		Per Student:		Per Student:		Per Student:	
Major Object								
Local Sources	\$ 99,545,893	\$ 4,410	\$ 106,176,632	\$ 4,704	\$ 114,250,730	\$ 5,062	\$ 126,886,757	\$ 5,621
State Sources	110,739,427	4,906	112,779,576	4,996	120,462,865	5,337	111,731,167	4,950
Federal Sources	13,587,479	602	13,859,037	614	12,797,845	567	14,474,775	641
Transfers In	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 223,872,799</b>	<b>\$ 9,918</b>	<b>\$ 232,815,245</b>	<b>\$ 10,314</b>	<b>\$ 247,511,440</b>	<b>\$ 10,965</b>	<b>\$ 253,092,699</b>	<b>\$ 11,213</b>
<b>Expenses</b>								
Function								
Instruction	\$ 97,378,335	\$ 4,314	\$ 98,366,382	\$ 4,358	\$ 107,088,009	\$ 4,744	\$ 112,544,673	\$ 4,986
Instructional Resources & Media Services	2,073,142	92	2,240,835	99	2,203,213	98	2,432,632	108
Curriculum & Staff Development	2,136,338	95	2,226,499	99	2,461,063	109	2,468,646	109
Instructional Leadership	3,864,139	171	3,974,785	176	4,480,430	198	4,674,890	207
School Leadership	9,640,623	427	11,316,964	501	11,918,584	528	13,065,837	579
Guidance, Counseling & Evaluation	5,472,917	242	5,455,701	242	6,446,804	286	7,001,750	310
Social Work Services	345,765	15	460,278	20	463,115	21	745,689	33
Health Services	1,471,179	65	1,528,417	68	1,578,745	70	1,619,013	72
Student Transportation	5,555,613	246	5,630,953	249	5,484,675	243	6,811,917	302
Food Services	12,385,551	549	13,146,607	582	13,497,039	598	14,151,551	627
Cocurricular/Extracurricular Activities	2,845,354	126	3,425,082	152	3,656,358	162	3,797,749	168
General Administration	6,229,042	276	6,693,818	297	7,353,318	326	7,625,960	338
Plant Maintenance & Operations	21,616,951	958	25,551,223	1,132	26,945,006	1,194	25,308,513	1,121
Security & Monitoring Services	2,207,544	98	2,746,767	122	2,555,775	113	2,588,010	115
Data Processing Services	2,249,595	100	2,271,575	101	3,799,088	168	3,294,310	146
Community Services	656,001	29	734,704	33	742,809	33	744,753	33
Debt Service	21,487,338	952	20,572,190	911	20,194,319	895	20,848,652	924
Facilities Acquisition/Construction	2,579,075	114	288,154	13	669,208	30	3,817,818	169
Other Intergovernmental Charges	721,839	32	764,804	34	857,019	38	908,466	40
<b>Total Expenses</b>	<b>\$ 200,916,341</b>	<b>\$ 8,901</b>	<b>\$ 207,395,738</b>	<b>\$ 9,188</b>	<b>\$ 222,394,577</b>	<b>\$ 9,853</b>	<b>\$ 234,450,829</b>	<b>\$ 10,387</b>
Major Object								
Payroll Costs	\$ 142,382,308	\$ 6,308	\$ 145,670,309	\$ 6,454	\$ 157,444,349	\$ 6,975	\$ 169,256,118	\$ 7,498
Professional & Contracted Services	15,306,991	678	17,972,158	796	18,350,519	813	16,415,411	727
Supplies & Materials	12,938,047	573	15,297,091	678	16,442,725	728	15,860,477	703
Other Operating Costs	4,441,216	197	4,621,760	205	4,730,525	210	4,691,876	208
Debt Service	21,487,338	952	20,572,190	911	20,194,319	895	20,848,652	924
Capital Outlay - Land, Buildings, & Equip.	4,360,441	193	3,262,230	145	5,232,140	232	7,378,295	327
	<b>\$ 200,916,341</b>	<b>\$ 8,901</b>	<b>\$ 207,395,738</b>	<b>\$ 9,188</b>	<b>\$ 222,394,577</b>	<b>\$ 9,853</b>	<b>\$ 234,450,829</b>	<b>\$ 10,387</b>

**Notes: Student Enrollment**

Enrollment count is based on the PEIMS snapshot data, taken on the final class day in October.

**Galena Park Independent School District**  
**Revenues, Expenditures, Other Resources and Fund Balances**  
**General Fund**

		2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
		Actuals (Audited)	Actuals (Audited)	Actuals (Audited)	Actuals (Unaudited)	Adopted Budget
<b>REVENUES</b>						
<b>LOCAL AND INTERMEDIATE</b>						
5711	Taxes Current Year Levy	\$ 77,860,961	\$ 81,162,755	\$ 89,884,990	\$ 99,422,531	\$ 100,614,100
5712	Taxes, Prior Year	476,291	2,025,349	486,345	692,406	500,000
5718	P, I, & Other Tax Revenue - Tax Certificate	80	55	310	555	-
5719	Taxes, Prior Year	596,389	585,034	635,214	819,113	750,000
5739	Tuition And Fees From Local Sources	17,410	108,638	129,935	185,733	125,000
5742	Earnings From Investments	129,138	130,592	167,251	615,961	400,000
5743	Rent	91,606	94,363	121,174	93,724	100,000
5744	Gifts & Bequests	9,319	10,885	23,085	12,257	20,000
5745	Insurance Recovery	3,199	320	1,800	-	-
5749	Other Revenue From Local Sources	277,866	897,348	311,065	464,863	200,000
5752	Athletic Activities	229,328	207,134	267,988	250,989	250,000
5755	Enterprising Services Revenue	56	167	7	-	-
5759	Cocurricular, Enterprising Services & Activities	4,166	7,624	9,144	10,345	40,000
5769	Misc Rev. From Intermediate Sources	31,183	38,275	39,615	15,430	-
5700	Local and Intermediate Totals	<u>\$ 79,726,992</u>	<u>\$ 85,268,539</u>	<u>\$ 92,077,923</u>	<u>\$ 102,583,907</u>	<u>\$ 102,999,100</u>
<b>STATE</b>						
5811	Per Capita Apportionment	\$ 9,490,102	\$ 5,347,184	\$ 5,505,980	\$ 3,790,886	\$ 5,000,000
5812	Foundation School Program Act Ent	89,799,577	96,750,134	102,427,994	97,269,336	86,327,200
5828	State Program Revenues - Pre-K	-	-	73,228	71,790	-
5829	State Program Revenues	200	73,428	1,451,572	2,011	-
5831	TRS Care-On-Behalf Payments	6,868,878	7,975,683	8,584,055	8,871,824	8,500,000
5839	Other Revenue From TX Agencies	7,000	5,950	4,200	1,400	-
5800	State Totals	<u>\$ 106,165,757</u>	<u>\$ 110,152,379</u>	<u>\$ 118,047,029</u>	<u>\$ 110,007,247</u>	<u>\$ 99,827,200</u>
<b>FEDERAL</b>						
5919	Federal Revenues Distributed	\$ 741,464	\$ 752,510	\$ 716,101	\$ 569,261	\$ 545,000
5921	School Breakfast Program	230,305	111,525	84,454	-	100,000
5922	School Lunch Program	690,915	334,575	282,739	-	250,000
5929	Federal Revenues	275,178	289,690	261,360	220,235	150,000
5931	School Health & Related Services	1,588,777	1,606,362	261,385	1,634,964	800,000
5932	Medicade Adm Claiming Program	42,249	47,600	48,248	52,408	50,000
5939	Fed Revenue Other Than TEA	-	2,351	1,118	2,622	-
5949	Fed Revenue Dist From Fed Government	27,588	8,502	20,930	3,605	-
5900	Federal Totals	<u>\$ 3,596,476</u>	<u>\$ 3,153,115</u>	<u>\$ 1,676,335</u>	<u>\$ 2,483,095</u>	<u>\$ 1,895,000</u>
5000	TOTAL ALL REVENUES	<u><u>\$ 189,489,225</u></u>	<u><u>\$ 198,574,033</u></u>	<u><u>\$ 211,801,287</u></u>	<u><u>\$ 215,074,249</u></u>	<u><u>\$ 204,721,300</u></u>

**Galena Park Independent School District**  
**Revenues, Expenditures, Other Resources and Fund Balances**  
**General Fund**

		2012-2013 Actuals (Audited)	2013-2014 Actuals (Audited)	2014-2015 Actuals (Audited)	2015-2016 Actuals (Unaudited)	2016-2017 Adopted Budget
<b>EXPENDITURES</b>						
<b>11 INSTRUCTION</b>						
6100	Payroll Costs	\$ 92,385,867	\$ 92,874,105	\$ 100,834,504	\$ 107,852,955	\$ 109,330,510
6200	Professional and Contracted Services	2,022,574	1,643,851	1,415,770	1,124,232	1,922,708
6300	Supplies and Materials	2,377,150	3,416,708	4,426,130	3,168,300	4,707,488
6400	Other Operating Costs	465,353	431,718	411,605	399,186	411,026
6600	Capital Outlay	127,391	-	-	-	28,868
<b>Total Function 11</b>		<b>\$ 97,378,335</b>	<b>\$ 98,366,382</b>	<b>\$ 107,088,009</b>	<b>\$ 112,544,673</b>	<b>\$ 116,400,600</b>
<b>12 INSTRUCTIONAL RESOURCES AND MEDIA SERVICES</b>						
6100	Payroll Costs	\$ 1,895,631	\$ 2,010,947	\$ 2,017,946	\$ 2,212,420	\$ 2,268,998
6200	Professional and Contracted Services	39,836	22,549	20,271	23,059	24,384
6300	Supplies and Materials	130,461	199,067	157,309	187,931	224,698
6400	Other Operating Costs	7,214	8,272	7,687	9,222	6,820
<b>Total Function 12</b>		<b>\$ 2,073,142</b>	<b>\$ 2,240,835</b>	<b>\$ 2,203,213</b>	<b>\$ 2,432,632</b>	<b>\$ 2,524,900</b>
<b>13 CURRICULUM AND INSTRUCTIONAL STAFF DEVELOPMENT</b>						
6100	Payroll Costs	\$ 1,755,826	\$ 1,799,545	\$ 2,002,332	\$ 1,946,619	\$ 2,874,398
6200	Professional and Contracted Services	99,818	79,979	136,310	136,857	124,698
6300	Supplies and Materials	91,564	137,335	138,925	164,579	146,395
6400	Other Operating Costs	189,130	209,640	183,496	220,591	260,609
<b>Total Function 13</b>		<b>\$ 2,136,338</b>	<b>\$ 2,226,499</b>	<b>\$ 2,461,063</b>	<b>\$ 2,468,646</b>	<b>\$ 3,406,100</b>
<b>21 INSTRUCTIONAL LEADERSHIP</b>						
6100	Payroll Costs	\$ 3,369,237	\$ 3,351,123	\$ 3,867,564	\$ 4,030,551	\$ 4,422,252
6200	Professional and Contracted Services	78,754	152,388	172,351	126,638	140,032
6300	Supplies and Materials	244,608	266,560	230,719	309,661	348,652
6400	Other Operating Costs	171,540	204,714	209,796	208,040	257,964
<b>Total Function 21</b>		<b>\$ 3,864,139</b>	<b>\$ 3,974,785</b>	<b>\$ 4,480,430</b>	<b>\$ 4,674,890</b>	<b>\$ 5,168,900</b>
<b>23 SCHOOL LEADERSHIP</b>						
6100	Payroll Costs	\$ 8,983,895	\$ 10,718,784	\$ 11,083,836	\$ 12,142,443	\$ 12,574,634
6200	Professional and Contracted Services	64,389	60,523	70,607	83,886	83,258
6300	Supplies and Materials	220,742	260,806	350,117	366,116	254,136
6400	Other Operating Costs	371,597	276,851	414,024	473,392	727,072
6600	Capital Outlay	-	-	-	-	-
<b>Total Function 23</b>		<b>\$ 9,640,623</b>	<b>\$ 11,316,964</b>	<b>\$ 11,918,584</b>	<b>\$ 13,065,837</b>	<b>\$ 13,639,100</b>

**Galena Park Independent School District**  
**Revenues, Expenditures, Other Resources and Fund Balances**  
**General Fund**

		2012-2013 Actuals (Audited)	2013-2014 Actuals (Audited)	2014-2015 Actuals (Audited)	2015-2016 Actuals (Unaudited)	2016-2017 Adopted Budget
<b>31 GUIDANCE COUNSELING AND EVALUATION SERVICES</b>						
6100	Payroll Costs	\$ 5,277,493	\$ 5,198,227	\$ 6,236,683	\$ 6,759,589	\$ 7,194,228
6200	Professional and Contracted Services	65,465	53,096	45,622	40,689	49,500
6300	Supplies and Materials	120,134	195,503	153,460	185,489	241,739
6400	Other Operating Costs	9,825	8,875	11,039	15,983	24,433
6600	Capital Outlay	-	-	-	-	-
<b>Total Function 31</b>		<b>\$ 5,472,917</b>	<b>\$ 5,455,701</b>	<b>\$ 6,446,804</b>	<b>\$ 7,001,750</b>	<b>\$ 7,509,900</b>
<b>32 SOCIAL WORK SERVICES</b>						
6100	Payroll Costs	\$ 208,513	\$ 215,134	\$ 216,648	\$ 365,574	\$ 396,250
6200	Professional and Contracted Services	137,252	245,144	246,467	236,022	364,950
6300	Supplies and Materials	-	-	-	5,041	26,000
6400	Other Operating Costs	-	-	-	2,317	4,400
6600	Capital Outlay	-	-	-	136,735	-
<b>Total Function 32</b>		<b>\$ 345,765</b>	<b>\$ 460,278</b>	<b>\$ 463,115</b>	<b>\$ 745,689</b>	<b>\$ 791,600</b>
<b>33 HEALTH SERVICES</b>						
6100	Payroll Costs	\$ 1,434,004	\$ 1,486,187	\$ 1,536,162	\$ 1,574,472	\$ 1,634,837
6200	Professional and Contracted Services	1,080	960	1,080	1,120	1,840
6300	Supplies and Materials	29,993	34,124	34,480	36,188	52,948
6400	Other Operating Costs	6,102	7,146	7,023	7,233	8,575
6600	Capital Outlay	-	-	-	-	-
<b>Total Function 33</b>		<b>\$ 1,471,179</b>	<b>\$ 1,528,417</b>	<b>\$ 1,578,745</b>	<b>\$ 1,619,013</b>	<b>\$ 1,698,200</b>
<b>34 STUDENT TRANSPORTATION</b>						
6100	Payroll Costs	\$ 3,994,478	\$ 4,066,824	\$ 4,334,187	\$ 4,930,848	\$ 5,100,706
6200	Professional and Contracted Services	89,704	128,725	230,973	162,236	181,600
6300	Supplies and Materials	621,441	612,098	540,682	457,127	806,837
6400	Other Operating Costs	143,560	15,649	225,000	19,410	308,200
6600	Capital Outlay	706,430	807,657	153,833	1,242,296	773,157
<b>Total Function 34</b>		<b>\$ 5,555,613</b>	<b>\$ 5,630,953</b>	<b>\$ 5,484,675</b>	<b>\$ 6,811,917</b>	<b>\$ 7,170,500</b>
<b>35 FOOD SERVICES</b>						
6100	Payroll Costs	\$ 10,244	\$ -	\$ -	\$ -	\$ 10,700
6200	Professional and Contracted Services	-	-	-	-	-
6300	Supplies and Materials	1,504	-	1	-	-
6400	Other Operating Costs	-	-	-	-	-
6600	Capital Outlay	-	-	-	-	-
<b>Total Function 35</b>		<b>\$ 11,748</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 10,700</b>

**Galena Park Independent School District**  
**Revenues, Expenditures, Other Resources and Fund Balances**  
**General Fund**

	2012-2013 Actuals (Audited)	2013-2014 Actuals (Audited)	2014-2015 Actuals (Audited)	2015-2016 Actuals (Unaudited)	2016-2017 Adopted Budget
<b>36 COCURRICULAR/EXTRACURRICULAR ACTIVITIES</b>					
6100 Payroll Costs	\$ 1,680,675	\$ 1,859,603	\$ 2,120,113	\$ 2,450,399	\$ 2,667,244
6200 Professional and Contracted Services	201,837	219,382	217,373	260,593	338,068
6300 Supplies and Materials	481,589	550,867	680,615	484,595	654,330
6400 Other Operating Costs	465,581	766,478	597,087	602,162	653,958
6600 Capital Outlay	15,672	28,752	41,170	-	-
<b>Total Function 36</b>	<b>\$ 2,845,354</b>	<b>\$ 3,425,082</b>	<b>\$ 3,656,358</b>	<b>\$ 3,797,749</b>	<b>\$ 4,313,600</b>
<b>41 GENERAL ADMINISTRATION</b>					
6100 Payroll Costs	\$ 5,096,353	\$ 5,460,445	\$ 5,782,423	\$ 6,116,204	\$ 6,389,620
6200 Professional and Contracted Services	489,277	509,991	816,453	665,951	701,190
6300 Supplies and Materials	192,649	288,247	277,364	297,049	666,727
6400 Other Operating Costs	397,145	435,135	477,078	546,756	702,063
6600 Capital Outlay	53,618	-	-	-	32,000
<b>Total Function 41</b>	<b>\$ 6,229,042</b>	<b>\$ 6,693,818</b>	<b>\$ 7,353,318</b>	<b>\$ 7,625,960</b>	<b>\$ 8,491,600</b>
<b>51 PLANT MAINTENANCE AND OPERATION</b>					
6100 Payroll Costs	\$ 8,464,107	\$ 8,639,896	\$ 9,069,348	\$ 9,961,960	\$ 9,869,260
6200 Professional and Contracted Services	9,154,137	11,567,414	11,355,871	9,718,013	10,502,824
6300 Supplies and Materials	1,351,459	1,402,101	1,435,761	1,679,324	1,338,789
6400 Other Operating Costs	2,175,480	2,190,333	2,105,836	2,089,302	2,415,027
6600 Capital Outlay	247,332	1,494,999	2,661,789	1,562,913	153,000
<b>Total Function 51</b>	<b>\$ 21,392,515</b>	<b>\$ 25,294,743</b>	<b>\$ 26,628,605</b>	<b>\$ 25,011,512</b>	<b>\$ 24,278,900</b>
<b>52 SECURITY AND MONITORING SERVICES</b>					
6100 Payroll Costs	\$ 354,310	\$ 340,618	\$ 358,376	\$ 443,075	\$ 453,802
6200 Professional and Contracted Services	1,690,381	1,760,210	1,739,422	1,802,402	1,877,917
6300 Supplies and Materials	50,350	505,663	412,628	231,703	145,973
6400 Other Operating Costs	12,328	21,276	11,687	28,235	25,108
6600 Capital Outlay	100,175	119,000	33,662	82,595	15,000
<b>Total Function 52</b>	<b>\$ 2,207,544</b>	<b>\$ 2,746,767</b>	<b>\$ 2,555,775</b>	<b>\$ 2,588,010</b>	<b>\$ 2,517,800</b>
<b>53 DATA PROCESSING SERVICES</b>					
6100 Payroll Costs	\$ 1,515,337	\$ 1,625,545	\$ 1,805,315	\$ 1,883,563	\$ 2,263,980
6200 Professional and Contracted Services	270,516	329,422	473,736	732,626	863,017
6300 Supplies and Materials	91,492	80,862	316,064	594,666	591,603
6400 Other Operating Costs	6,811	10,136	27,777	20,018	38,125
6600 Capital Outlay	365,439	225,610	1,176,196	63,437	80,075
<b>Total Function 53</b>	<b>\$ 2,249,595</b>	<b>\$ 2,271,575</b>	<b>\$ 3,799,088</b>	<b>\$ 3,294,310</b>	<b>\$ 3,836,800</b>

**Galena Park Independent School District**  
**Revenues, Expenditures, Other Resources and Fund Balances**  
**General Fund**

	2012-2013 Actuals (Audited)	2013-2014 Actuals (Audited)	2014-2015 Actuals (Audited)	2015-2016 Actuals (Unaudited)	2016-2017 Adopted Budget
<b>61 COMMUNITY SERVICES</b>					
6100 Payroll Costs	\$ 641,487	\$ 711,696	\$ 705,879	\$ 710,532	\$ 782,070
6200 Professional and Contracted Services	210	4,759	4,806	3,366	3,900
6300 Supplies and Materials	6,160	6,566	16,864	13,788	89,860
6400 Other Operating Costs	8,144	11,683	15,260	17,067	14,270
6600 Capital Outlay	-	-	-	-	-
<b>Total Function 61</b>	<b>\$ 656,001</b>	<b>\$ 734,704</b>	<b>\$ 742,809</b>	<b>\$ 744,753</b>	<b>\$ 890,100</b>
<b>71 DEBT SERVICE</b>					
6500 Debt Service	\$ 796,019	\$ 796,807	\$ 797,017	\$ 787,524	\$ 371,000
<b>Total Function 71</b>	<b>\$ 796,019</b>	<b>\$ 796,807</b>	<b>\$ 797,017</b>	<b>\$ 787,524</b>	<b>\$ 371,000</b>
<b>81 FACILITIES ACQUISITION AND CONSTRUCTION</b>					
6100 Payroll Costs	\$ 257,971	\$ 151,849	\$ 139,911	\$ 164,668	\$ 185,211
6200 Professional and Contracted Services	11,165	21,433	5,074	4,426	16,914
6300 Supplies and Materials	13,320	12,334	7,381	2,731	25,625
6400 Other Operating Costs	1,776	564	826	608	5,750
6600 Capital Outlay	2,294,843	101,974	516,016	3,645,385	500,000
<b>Total Function 81</b>	<b>\$ 2,579,075</b>	<b>\$ 288,154</b>	<b>\$ 669,208</b>	<b>\$ 3,817,818</b>	<b>\$ 733,500</b>
<b>99 INTERGOVERNMENTAL CHARGES</b>					
6200 Professional and Contracted Services	\$ 721,839	\$ 764,804	\$ 857,019	\$ 908,466	\$ 967,500
<b>Total Function 99</b>	<b>\$ 721,839</b>	<b>\$ 764,804</b>	<b>\$ 857,019</b>	<b>\$ 908,466</b>	<b>\$ 967,500</b>
6000 TOTAL ALL EXPENDITURES	\$ 167,626,783	\$ 174,217,268	\$ 189,183,836	\$ 199,941,149	\$ 204,721,300
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ 21,862,442</b>	<b>\$ 24,356,765</b>	<b>\$ 22,617,451</b>	<b>\$ 15,133,100</b>	<b>\$ -</b>
<b>OTHER RESOURCES/NON-OPERATING RESOURCES</b>					
7912 Sale of Real or Personal Property	32,808	38,958	78,159	72,863	-
7915 Operating Transfers In	-	-	-	50,000	-
8911 Transfers Out	(79,105)	(13,427)	-	-	-
7900 Total Other Resources	\$ (46,297)	\$ 25,531	\$ 78,159	\$ 122,863	\$ -
<b>Net Change in Fund Balance</b>	<b>\$ 21,816,145</b>	<b>\$ 24,382,296</b>	<b>\$ 22,695,610</b>	<b>\$ 15,255,963</b>	<b>\$ -</b>
<b>FUND BALANCES</b>					
3100 Beginning Fund Balance 09/01	\$ 55,695,088	\$ 77,511,233	\$ 100,045,703	\$ 122,741,313	\$ 137,997,276
Prior Period Adjustment	\$ -	\$ (1,847,826)	\$ -	\$ -	\$ -
3100 Ending Fund Balance 08/31	\$ 77,511,233	\$ 100,045,703	\$ 122,741,313	\$ 137,997,276	\$ 137,997,276

**Galena Park Independent School District**  
**Revenues, Expenditures, Other Resources and Fund Balances**  
**Debt Service**

		2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
		Actuals (Audited)	Actuals (Audited)	Actuals (Audited)	Actuals (Unaudited)	Adopted Budget
<b>REVENUES</b>						
<b>LOCAL AND INTERMEDIATE</b>						
5711	Taxes Current Year Levy	\$ 16,889,939	\$ 17,563,359	\$ 19,502,157	\$ 21,572,343	\$ 22,037,150
5712	Taxes, Prior Year	107,660	440,671	103,027	146,709	-
5718	P, I, & Other Tax Revenue - Tax Certificate	-	-	-	-	-
5719	Taxes, Prior Year	129,061	121,478	134,916	172,636	125,000
5742	Earnings From Investments	33,189	27,547	29,948	38,945	35,650
5700	Local and Intermediate Totals	<u>\$ 17,159,849</u>	<u>\$ 18,153,055</u>	<u>\$ 19,770,048</u>	<u>\$ 21,930,633</u>	<u>\$ 22,197,800</u>
<b>STATE</b>						
5811	Per Capita Apportionment	\$ -	\$ -	\$ -	\$ -	\$ -
5812	Foundation School Program Act Ent	-	-	-	-	-
5829	State Program Revenues	4,503,773	2,553,951	2,340,175	1,645,363	253,400
5839	Other Revenue From TX Agencies	-	-	-	-	-
5800	State Totals	<u>\$ 4,503,773</u>	<u>\$ 2,553,951</u>	<u>\$ 2,340,175</u>	<u>\$ 1,645,363</u>	<u>\$ 253,400</u>
5000	TOTAL ALL REVENUES	<u><u>\$ 21,663,622</u></u>	<u><u>\$ 20,707,006</u></u>	<u><u>\$ 22,110,223</u></u>	<u><u>\$ 23,575,996</u></u>	<u><u>\$ 22,451,200</u></u>
<b>EXPENDITURES</b>						
<b>71 DEBT SERVICE</b>						
6500	Debt Service	\$ 20,691,319	\$ 19,775,383	\$ 19,397,302	\$ 20,061,128	19,588,000
	Total Function 71	<u>\$ 20,691,319</u>	<u>\$ 19,775,383</u>	<u>\$ 19,397,302</u>	<u>\$ 20,061,128</u>	<u>\$ 19,588,000</u>
6000	TOTAL ALL EXPENDITURES	<u><u>\$ 20,691,319</u></u>	<u><u>\$ 19,775,383</u></u>	<u><u>\$ 19,397,302</u></u>	<u><u>\$ 20,061,128</u></u>	<u><u>\$ 19,588,000</u></u>
Excess (Deficiency) of Revenues Over (Under) Expenditures		\$ 972,303	\$ 931,623	\$ 2,712,921	\$ 3,514,868	\$ 2,863,200
<b>OTHER RESOURCES/NON-OPERATING RESOURCES</b>						
7911	Refunding Bonds Issued	\$ 37,990,000	\$ 8,970,000	\$ 9,505,000	\$ -	\$ -
7912	Sale of Real or Personal Property	-	-	-	-	-
7915	Operating Transfers In	-	-	-	2	-
7916	Premium or Discount on Issuance of Bonds	3,212,391	986,842	456,463	-	-
7919	Extraordinary Item	-	-	-	-	-
7949	Other Resources	-	-	-	-	-
8911	Transfers Out	-	-	-	-	-
8949	Payment to Bond Refunding Escrow Agent	(40,619,106)	(9,787,132)	(18,693,513)	-	-
7900	Total Other Resources	<u>\$ 583,285</u>	<u>\$ 169,710</u>	<u>\$ (8,732,050)</u>	<u>\$ 2</u>	<u>\$ -</u>
Net Change in Fund Balance		\$ 1,555,588	\$ 1,101,333	\$ (6,019,129)	\$ 3,514,870	\$ 2,863,200
<b>FUND BALANCES</b>						
3100	Beginning Fund Balance 09/01	<u>\$ 7,386,838</u>	<u>\$ 8,942,426</u>	<u>\$ 10,043,759</u>	<u>\$ 4,024,630</u>	<u>\$ 7,539,500</u>
	Prior Period Adjustment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
3100	Ending Fund Balance 08/31	<u><u>\$ 8,942,426</u></u>	<u><u>\$ 10,043,759</u></u>	<u><u>\$ 4,024,630</u></u>	<u><u>\$ 7,539,500</u></u>	<u><u>\$ 10,402,700</u></u>

**Galena Park Independent School District**  
**Revenues, Expenditures, Other Resources and Fund Balances**  
**Food Service**

		2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
		Actuals (Audited)	Actuals (Audited)	Actuals (Audited)	Actuals (Unaudited)	Adopted Budget
<b>REVENUES</b>						
<b>LOCAL AND INTERMEDIATE</b>						
5742	Earnings From Investments	\$ 7,130	\$ 6,105	\$ 6,156	\$ 32,595	\$ 20,000
5749	Other Revenue From Local Sources	(3,651)	(2,007)	(119)	6,539	1,000
5751	Food Service Activity	2,655,573	2,750,940	2,396,722	2,333,083	2,428,400
5700	Local and Intermediate Totals	\$ 2,659,052	\$ 2,755,038	\$ 2,402,759	\$ 2,372,217	\$ 2,449,400
<b>STATE</b>						
5829	State Program Revenues	\$ 69,897	\$ 73,246	\$ 75,077	\$ 78,557	\$ 75,000
5839	Other Revenue From TX Agencies	-	-	584	-	-
5800	State Totals	\$ 69,897	\$ 73,246	\$ 75,661	\$ 78,557	\$ 75,000
<b>FEDERAL</b>						
5921	School Breakfast Program	\$ 2,262,101	\$ 2,382,426	\$ 2,321,369	\$ 2,499,060	\$ 2,382,490
5922	School Lunch Program	6,794,847	7,452,385	7,908,611	8,513,131	8,040,340
5923	USDA Donated Commodities	856,296	871,111	846,559	979,489	1,002,970
5939	Fed Revenue Other Than TEA	77,759	-	44,971	-	-
5900	Federal Totals	\$ 9,991,003	\$ 10,705,922	\$ 11,121,510	\$ 11,991,680	\$ 11,425,800
5000	TOTAL ALL REVENUES	\$ 12,719,952	\$ 13,534,206	\$ 13,599,930	\$ 14,442,454	\$ 13,950,200
<b>EXPENDITURES</b>						
<b>35 FOOD SERVICES</b>						
6100	Payroll Costs	\$ 4,868,966	\$ 4,943,531	\$ 5,105,013	\$ 5,521,139	\$ 5,582,075
6200	Professional and Contracted Services	132,235	367,298	453,022	276,935	246,525
6300	Supplies and Materials	6,913,431	7,328,250	7,264,225	7,676,189	8,152,300
6400	Other Operating Costs	9,630	23,290	25,304	32,354	34,200
6600	Capital Outlay	449,541	484,238	649,474	644,934	463,200
Total Function 35		\$ 12,373,803	\$ 13,146,607	\$ 13,497,038	\$ 14,151,551	\$ 14,478,300
<b>51 PLANT MAINTENANCE AND OPERATION</b>						
6100	Payroll Costs	\$ 187,914	\$ 216,250	\$ 228,109	\$ 189,107	\$ 212,125
6200	Professional and Contracted Services	36,522	40,230	88,292	107,894	111,475
Total Function 51		\$ 224,436	\$ 256,480	\$ 316,401	\$ 297,001	\$ 323,600
6000	TOTAL ALL EXPENDITURES	\$ 12,598,239	\$ 13,403,087	\$ 13,813,439	\$ 14,448,552	\$ 14,801,900
Excess (Deficiency) of Revenues Over (Under) Expenditures		\$ 121,713	\$ 131,119	\$ (213,509)	\$ (6,098)	\$ (851,700)
<b>OTHER RESOURCES/NON-OPERATING RESOURCES</b>						
7912	Sale of Real or Personal Property	\$ 2,008	\$ 2,848	\$ 5,991	\$ 12,630	\$ -
7900	Total Other Resources	\$ 2,008	\$ 2,848	\$ 5,991	\$ 12,630	\$ -



**Galena Park Independent School District**  
**Revenues, Expenditures, Other Resources and Fund Balances**  
**Food Service**

	2012-2013 Actuals (Audited)	2013-2014 Actuals (Audited)	2014-2015 Actuals (Audited)	2015-2016 Actuals (Unaudited)	2016-2017 Adopted Budget
Net Change in Fund Balance	\$ 123,721	\$ 133,967	\$ (207,518)	\$ 6,532	\$ (851,700)
<b>FUND BALANCES</b>					
3100 Beginning Fund Balance 09/01	<u>\$ 3,763,240</u>	<u>\$ 3,886,961</u>	<u>\$ 4,020,928</u>	<u>\$ 3,813,410</u>	<u>\$ 3,819,942</u>
Prior Period Adjustment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
3100 Ending Fund Balance 08/31	<u><u>\$ 3,886,961</u></u>	<u><u>\$ 4,020,928</u></u>	<u><u>\$ 3,813,410</u></u>	<u><u>\$ 3,819,942</u></u>	<u><u>\$ 2,968,242</u></u>

**Galena Park Independent School District**  
**Revenues, Expenditures, Other Resources and Fund Balances**

*Notes: Student Enrollment*

Enrollment count is based on the PEIMS snapshot data, taken on the final class day in October.

*Prior Period Adjustment*

During fiscal year 2014, the District implemented GASB Statement No. 65, Items Previously Reported as Assets and Liabilities. Under this new standard, bond issuance costs have been removed from the Statement of Net Position. The beginning net position for governmental activities has been restated. Beginning with fiscal year 2014, bond issuance costs were treated as period costs.

In addition, the District no longer accounts for prepaid items using the consumption method. Beginning with fiscal year 2014, the District began using the purchase method where payments for prepaid items are fully recognized as expenditures in the year of payment. The District believes the purchase method is preferable and consistent with the governmental fund concept of reporting only expendable financial resources. As such, restatement of the General Fund's beginning fund balance and Governmental Activities beginning net position was necessary.

*Fund Balance*

Beginning with fiscal year 2011, Galena Park Independent School District implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The Statement also clarifies the governmental fund definitions. The following fund balance classifications describe the relative strength of the spending constraints:

**Nonspendable fund balance** – amounts that are not in spendable form or are required to be maintained intact. As such, inventory has been properly classified in the Governmental Funds Balance Sheet (Exhibit C-1).

**Restricted fund balance** – Amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors.

**Committed fund balance** – amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. the Board of Trustees). To be reported as committed, amounts cannot be used for any other purposes unless the District takes the same highest level of action to remove or change the constraint. The District establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. A fund balance commitment is further indicated in the budget document as a commitment of the fund. The District has committed 100 percent of Fund 461 Campus Activity Funds' fund balance.

**Assigned fund balance** – amounts the District intends to use for a specific purpose. Intent can be expressed by the District or by an official or body to which the Board of Trustees delegates the authority. Per Board Policy, CE Local, the Board has delegated authority to the Superintendent or Chief Financial Officer to establish fund balance assignments.

For the last audited statements (fiscal year 2014-15), the following Fund balance classifications were made:

	General Operating	Debt Service	Food Service
<b>Nonspendable</b>			
Inventories	\$ 264,221	\$ -	\$ 296,283
<b>Restricted</b>			
Grants	-	-	3,517,127
Debt Service	-	4,024,630	-
<b>Assigned</b>	43,270,858	-	-
<b>Unassigned</b>	79,206,234	-	-
<b>Total Fund Balance</b>	<b>\$ 122,741,313</b>	<b>\$ 4,024,630</b>	<b>\$ 3,813,410</b>

**Galena Park Independent School District  
Forecasted Revenues, Expenditures, and Fund Balances**

	<b>Budgeted 2016-17</b>	<b>Projected 2017-18</b>	<b>Projected 2018-19</b>	<b>Projected 2019-20</b>
<b>General Fund</b>				
Local	\$ 102,999,100	\$ 103,731,420	\$ 104,749,885	\$ 105,778,533
State	99,827,200	100,317,507	101,018,847	101,013,250
Federal	1,895,000	2,545,000	2,545,000	2,545,000
<b>Total Revenue</b>	<b>\$ 204,721,300.00</b>	<b>\$ 206,593,927.00</b>	<b>\$ 208,313,732.00</b>	<b>\$ 209,336,783.00</b>
Payroll	\$ 168,418,700	\$ 173,208,370	\$ 176,325,214	\$ 181,586,491
Purchased Services	18,164,300	17,509,396	17,971,896	17,950,621
Supplies and Materials	10,321,800	7,870,732	8,574,392	8,785,197
Other Operating Costs	5,863,400	4,757,480	4,385,394	4,017,796
Debt Service	371,000	969,026	992,602	1,017,006
Capital Outlay	1,582,100	1,860,663	2,942,428	3,027,062
<b>Total Expenditures</b>	<b>\$ 204,721,300.00</b>	<b>\$ 206,175,667.00</b>	<b>\$ 211,191,927.00</b>	<b>\$ 216,384,173.00</b>
Other Uses				
<b>Change to Fund Balance</b>	<b>\$ -</b>	<b>\$ 418,260</b>	<b>\$ (2,878,195)</b>	<b>\$ (7,047,390)</b>
Fund Balance - Beginning	<b>\$ 137,997,276</b>	<b>\$ 137,997,276</b>	<b>\$ 138,415,536</b>	<b>\$ 135,537,341</b>
Fund Balance - Ending	<b>\$ 137,997,276</b>	<b>\$ 138,415,536</b>	<b>\$ 135,537,341</b>	<b>\$ 128,489,951</b>
<b>Debt Service</b>				
Local	\$ 22,197,800	\$ 22,419,778	\$ 22,643,976	\$ 22,870,416
State	253,400	-	-	-
<b>Total Revenue</b>	<b>\$ 22,451,200</b>	<b>\$ 22,419,778</b>	<b>\$ 22,643,976</b>	<b>\$ 22,870,416</b>
Debt Service	\$ 19,588,000	\$ 19,585,895	\$ 19,586,220	\$ 19,586,182
<b>Total Expenditures</b>	<b>\$ 19,588,000</b>	<b>\$ 19,585,895</b>	<b>\$ 19,586,220</b>	<b>\$ 19,586,182</b>
Other Uses				
<b>Change to Fund Balance</b>	<b>\$ 2,863,200</b>	<b>\$ 2,833,883</b>	<b>\$ 3,057,756</b>	<b>\$ 3,284,234</b>
Fund Balance - Beginning	<b>\$ 7,539,500</b>	<b>\$ 10,402,700</b>	<b>\$ 13,236,583</b>	<b>\$ 16,294,339</b>
Fund Balance - Ending	<b>\$ 10,402,700</b>	<b>\$ 13,236,583</b>	<b>\$ 16,294,339</b>	<b>\$ 19,578,572</b>

Assumptions:

\*Property value growth of 1%

\*Taxable Values with 98% collection rate

\*Average Daily Attendance growth of 1%

\*The District has sufficient unassigned Fund Balance to cover projected deficits

## School Finance

Funding for Texas's public schools comes from three main sources: local school district property taxes, state funds, and federal funds. The majority of funding comes from local property taxes, which are collected by school districts, and state funding. State funding accounts for approximately 42% of the District's total budgeted, while revenue from local property taxes account for roughly 51%.

### History of Tax Rates and State Aid

Over the years, the inconsistencies in property tax revenues have been a topic of controversy, as some districts have expensive commercial property with high tax bases located within their boundaries, while other districts with low tax bases impose higher tax rates but are unable to raise comparable funds. The result is wide disparity in educational spending.

### **Educational reform**

In 1947, the 50<sup>th</sup> Texas Legislature established a committee to study educational reform, whose work resulted in proposals to make Texas public schools more efficient and better funded, in order to provide better educational opportunities for Texas children. Three bills proposed by the committee were adopted by the 51<sup>st</sup> Legislature in 1949, raising salaries for teachers, creating the Foundation School Program (FSP) to supplement local tax revenue with state equalization funding, and making state funding reliant on student attendance, the goal being to provide an incentive to increase attendance.

The case *San Antonio Independent School District v. Rodriguez*, 411 U.S. 1 (1973), assessed that the financing system was a violation of the United States Constitution, specifically the Fourteenth Amendment's Equal Protection clause (the basis for *Brown v. Board of Education* in 1954). The lawsuit claimed that education is a fundamental right, and the method of financing schools predominantly through local property taxes creates wealth-based discrimination against families residing in school districts with a low tax base, as stated families would incur a higher tax burden to provide education equal to families residing in a school district with a high tax base. The United States Supreme Court decided that the right to be educated was, "neither 'explicitly nor implicitly', textually found anywhere in the U.S. Constitution", and therefore, not protected by the Constitution. The Court also found that Texas had not created a suspect class related to poverty, and the state was allowed to continue its school financing plan as long so it was "rationally related to a legitimate state interest."

The Texas Supreme Court considered *Edgewood Independent School District v. Kirby* in 1989, which declared that the school financing system was in violation of the State Constitution provision requiring maintenance of an "efficient" system to achieve "general

diffusion of knowledge". The petition showed that the comparison of taxable property values between the wealthiest and poorest districts was 700 to 1, resulting in a disproportion of spending between districts. The Court found that the State's FSP does attempt to provide students with at least a basic education, with funds "distributed to the various districts according to a complex formula such that property-poor districts receive more state aid than do property-rich districts." Fault was found with the FSP in that these funds did not even cover the cost of meeting state-mandated minimum requirements, did not provide for school facilities or debt service, understated transportation allotment actual costs, and underfunded the career ladder salary supplement for teachers. School districts across the state were required to spend additional local revenues to fund these requirements, with low-wealth districts using "a significantly greater proportion" to pay the debt service costs on construction, while districts with a high tax base were able to utilize funds for "a wide array of enrichment programs." The court sided with the plaintiffs, and ordered the State Legislature to develop and implement an equitable system by the 1990-91 school year.



### **The Robin Hood Plan**

Texas Legislature passed a plan in 1993 that met the Court's guidelines, with two aspects of the plan built to prohibit wealthy districts from raising revenues to provide activities and opportunities that were not accomplishable by districts with a low tax base. First, the Maintenance & Operation (M&O) tax rates were limited to \$1.50 per \$100 assessed property value; school districts that already exceeded the \$1.50 limit were allowed to continue at that rate, and no limits were placed on Interest & Sinking (I&S) tax rates. Secondly, the plan capped the M&O revenue a district could claim,

using a statewide per-student rate. Revenues in excess of this amount were “recaptured” by the State, to be redistributed to districts in need. In lieu of recapture, a wealthy district could enter an agreement with a poorer district to transfer funds, an action which dubbed the legislation the “Robin Hood” plan.

Exemption was provided to six school districts in Harris County that have the authority to adopt tax rates above this cap. These districts are Aldine, Deer Park, Galena Park, Katy, Pasadena, and Spring Branch Independent School Districts.

School-finance came to the Texas Supreme court once again in 2005. A majority of school districts were taxing at the maximum rate \$1.50 per \$100 valuation for M&O to meet the state mandates, a system the court ruled was essentially a state property tax, which is prohibited by the Texas Constitution. The court required the Legislature to reassess school finance to correct the issue by June 2006; failure to do so would result in a court order to stop the state distribution of funds for the public school system.

### **Tax Rate Compression**

In May 2006 the 79<sup>th</sup> Texas Legislature passed House Bill 1 (HB1), which included a mandated one-third reduction (66.67%) of the M&O tax rates by the tax year 2007. To minimize the burden, this was allowed to be done in steps: a district could decrease their 2006 tax rate to 88.67% of the 2005 rate, then decrease to 66.67% of the 2005 rate for the 2007 tax year. The new rates are known as the Compressed Tax Rate (CTR).

School districts were allowed to increase the tax rate by \$0.04 per \$100 valuation above the tax rate for “enrichment”, without requiring voter approval. Additional enrichment taxes above \$.04 per \$100 valuation could be assessed, but only with a successful Tax Ratification Election (TRE). These first 4 cents of enrichment tax (an amount raised to 6 cents in 2009) were not subject to state recapture, and became known as “Golden Pennies”, as they represented the highest level of supplemental funding available to districts. Enrichment tax revenues above this level are subject to state recapture, and are referred to as “Copper Pennies” since, in effect, they generate less supplemental funding than the Golden Pennies. HB1 caps the enrichment taxes to 17 cents, making the maximum M&O tax rates \$1.17 per \$100 valuation for Texas school districts. The rollback rate reduction and enrichment cap calculations also would apply to the Harris County districts allowed by law to exceed the \$1.50 M&O cap by substituting their 2005 M&O tax rate for \$1.50.

The first year of compression, the District’s CTR dropped to \$1.4276 per \$100 valuation. The Board approved the 4 golden pennies to be added to this, for a total 2006 tax rate of \$1.4676 per \$100 valuation. In the second year, the CTR decreased to \$1.0734, and

including the enrichment tax of \$0.04, resulted in an approved rate of \$1.1134 per \$100 valuation.

In addition to setting the M&O rate, a district must calculate its “effective rate”, the rate that would generate the same amount of revenue as the prior year. In the event that property values rise from one year to the next, the effective rate would be less than the rate set. A “rollback rate” is one that provides a district the same amount of revenue as was spent on day-to-day operations in the prior year, including an additional percentage. If a school district adopts a tax rate that exceeds the district’s rollback rate, voters must approve the new rate by majority vote in an election. Under previous law, the rollback rate generally was a district’s effective M&O tax rate, plus 6 cents, plus the tax rate required to pay for any district debt.

With voter approval from a rollback TRE held in December 2007 the tax rate for Galena Park ISD increased from \$1.1134 to \$1.1834 per \$100 valuation. A second successful tax ratification election in September 2012 increased the tax rate an additional .0599 cents for a total rate of \$1.2433.

Although the intent of HB1 was to equalize funding per student throughout the state (commonly called a target revenue system) large discrepancies continued to exist. HB 3646 was passed with the 81st legislature (completed June 1, 2009) and is a modified continuation of the target revenue system. Districts with lower than average target revenue amounts were increased by up to a maximum of \$350/per weighted average daily attendance (WADA); the rest of the districts were given a minimum of \$120/per student in WADA. In July of 2011 the Texas Legislature passed Senate Bill 1, which continued the target revenue concept with slight modification from previous legislation.

State Funding available for appropriation in the 2015-16 budget increased by approximately \$100 per student due to funding formula changes. The formula changes were included in House Bill 1 passed during the 84th Legislative session. Senate Bill 1 included provisions to cut taxes for homeowners by increasing the mandatory homestead exemption by \$10,000, increasing the total state exemption to \$25,000. The provision was contingent upon an amendment to the state constitution which was given voter approval on November 2, 2015. The legislature did authorize modifications in property valuations used in the state aid formulas to offset the loss in local property tax revenue.

*Sources: Edgewood v. Kirby, 777 S.W.2d 391. Texas Supreme Court. 1989, San Antonio School District v. Rodriguez. 411 U.S. 1. Supreme Court of the United States.1971, Schools and Taxes: A Summary of Legislation of the 2006 Special Session. House Research Organization. Texas House of Representatives Focus Report. May 35, 2006, Texas State Historical Association <https://tshaonline.org>, The Texas Tribune <https://www.texastribune.org>*

A partial history of the District's tax roll is below.

### Galena Park ISD Tax Revenue Analysis

Tax Year	M&O Rate	I&S Rate	Total Rate	Original Budget	Actual Collected (Including Delinquent)	Actual Overage (Shortage)
2016	1.2433	0.3200	1.5633	\$ 124,026,250		
2015	1.2433	0.2701	1.5134	111,656,518	122,826,293	11,169,775
2014	1.2433	0.2701	1.5134	100,194,891	110,746,959	10,552,068
2013	1.2433	0.2701	1.5134	89,895,960	101,898,646	12,002,686
2012	1.1834	0.3300	1.5134	77,811,070	96,060,301	18,249,231
2011	1.1834	0.3300	1.5134	81,463,863	82,518,824	1,054,961

### Tax Rate Comparison to Local Districts

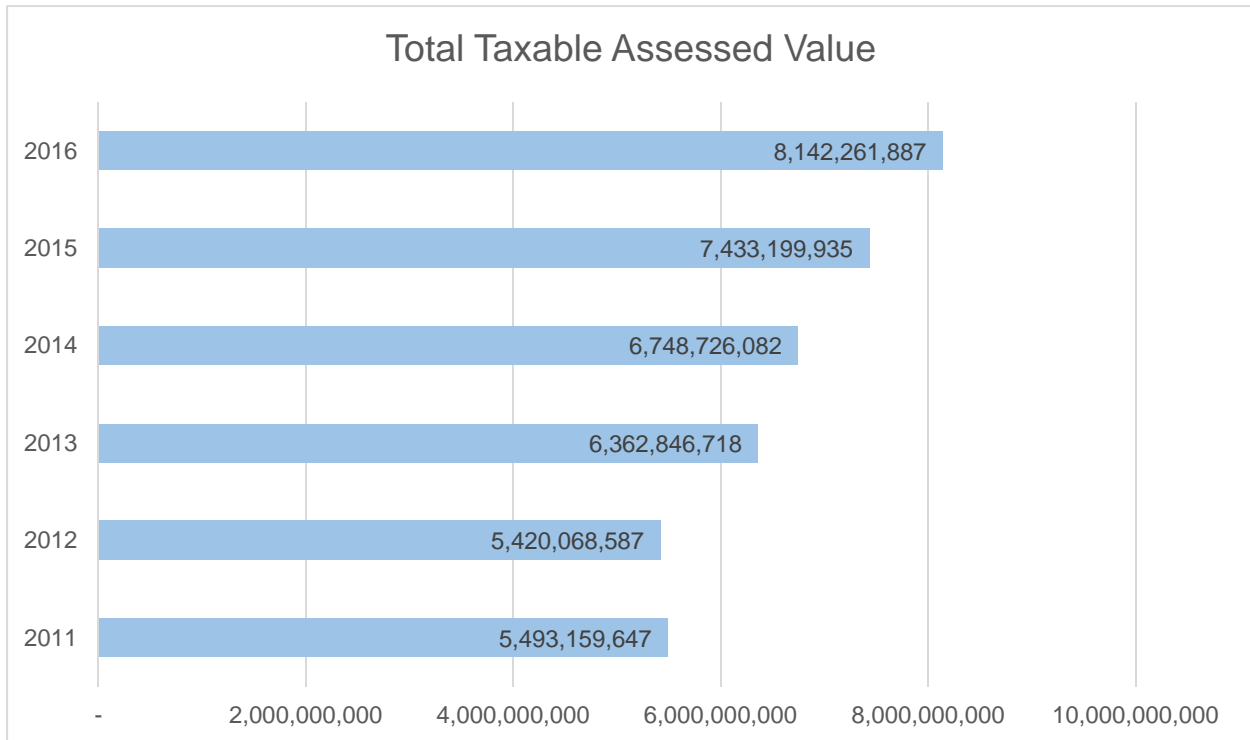
Channelview ISD	M&O	I&S	Total Rate	Goose Creek ISD	M&O	I&S	Total Rate
2015	1.0400	0.3750	1.4150	2015	1.0400	0.3919	1.4319
2014	1.0400	0.4070	1.4470	2014	1.0400	0.3919	1.4319
2013	1.0400	0.3995	1.4395	2013	1.0400	0.3468	1.3868
2012	1.0400	0.4556	1.4956	2012	1.0400	0.2921	1.3321
Crosby ISD	M&O	I&S	Total Rate	Humble ISD	M&O	I&S	Total Rate
2015	1.1700	0.5000	1.6700	2015	1.1700	0.3500	1.5200
2014	1.1700	0.5000	1.6700	2014	1.1700	0.3500	1.5200
2013	1.1700	0.5000	1.6700	2013	1.1700	0.3500	1.5200
2012	1.1700	0.2700	1.4400	2012	1.1700	0.3500	1.5200
Deer Park ISD	M&O	I&S	Total Rate	Sheldon ISD	M&O	I&S	Total Rate
2015	1.2367	0.3200	1.5567	2015	1.1700	0.2400	1.4100
2014	1.2367	0.3200	1.5567	2014	1.1700	0.2600	1.4300
2013	1.2367	0.3200	1.5567	2013	1.1700	0.2600	1.4300
2012	1.2367	0.2900	1.5267	2012	1.0900	0.3400	1.4300

[www.hctax.net](http://www.hctax.net)



## Property Values

Property taxes are the District's most significant source of local revenue, usually comprising 40% of all revenues recognized and received. The District's assessed value of taxable property for the year 2016 increased from \$7.4 billion to \$8.1 billion, an increase of 9.54%. The Texas Comptroller of Public Accounts annually certifies the final property value on or before July 1.



Taxable Value is defined by Section 1.04(10), Tax code. Amounts equal to beginning certified taxable values

Property values are determined by the Harris County Appraisal District as of January 1st of each year. Prior to September 1st of each year, the District must adopt its annual budget and as soon thereafter as practicable, adopt a tax rate thus creating the tax levy.

## Summary of Property Tax Exemptions

In addition to the \$25,000 Homestead Exemption and the \$10,000 Over 65 Exemption, the District offers a 20% Local homestead exemption and an additional \$7,400 exemption to taxpayers over 65 years of age. When a taxpayer receives an Over 65 Exemption, they also receive a "tax ceiling" for total school taxes; that is, the school taxes on the taxpayer's home cannot increase as long as they own and live in that home. The tax ceiling is set at the amount paid in the year the taxpayer qualifies for the over-65 homeowner exemption. The school taxes on the home may fall below the ceiling, but cannot rise above it.

Galena Park ISD Schedule of Exemptions	
State Homestead	\$25,000
Local Homestead	20%
Disability State Homestead	\$10,000
Vetrans Disability	Determined by percentage of disability
Over 65 State Homestead	\$10,000
Over 65 Local Homestead	\$7,400

- **Residence Homestead** - \$25,000 & 20% Local - available for all homeowners on the residence as long as the homeowner lived there on January 1st of the tax year.
- **Age 65 or Older** - \$10,000 & \$7,400 Local - Can be taken in addition to the Residence Homestead Exemption. Homeowners over the age of 65 may also arrange for a Tax Affidavit Deferral. The homeowner may choose to defer the collection of taxes if they own and occupy the residence and taxes are delinquent; however, a tax lien remains on the property and interest of 8% a year continues to accrue.
- **Disabled Homestead** - \$10,000 - Can be taken in addition to the Residence Homestead Exemption; available to those who qualify according to specific guidelines. If a homeowner qualifies for disability benefits under the Federal Old Age, Survivors and Disability Insurance Program administered by the Social Security Administration, they will qualify for Disabled Homestead Exemptions. If a homeowner qualifies for both the Over-65 Exemption and the Disability Exemption, they must choose one or the other for school taxes, but cannot receive both.
- **Disabled Veteran or Survivor** - Homeowner must be a Texas resident to receive this exemption, and also must have documents from either the Veteran's Administration or the appropriate branch of the armed forces showing the percentage of service-related disability. The disability rating must be at least 10 percent. This exemption ranges from \$5,000 to \$12,000 depending on the extent of the disability. This exemption can be taken on any property in Texas; it is not limited to the homestead property. However, the homeowner may pick only one property to receive the exemption.

## General Fund

The general fund is the chief operating fund of the District, used to account for all financial transactions not properly included in other funds. The principal sources of revenue include local property taxes, State revenue, interest income, and Federal revenue. Expenditures include all costs associated with the operations of the schools. The District's Board of Trustees and Administrators considered a variety of factors when adopting the budget for the 2015-16 fiscal year. Those factors include property values, enrollment trends, state funding, the economy, and legislative mandates.

### Local Revenue

#### **Property Taxes**

The School District's property tax rate is comprised of two elements, Maintenance & Operations (M&O), which funds the District's general fund expenditures, and Interest & Sinking (I&S), which funds the District's debt payment obligations.

#### **Galena Park ISD M&O Tax Revenue Analysis**

<b>Tax Year</b>	<b>M&amp;O Rate</b>	<b>Original Budget</b>	<b>Actual Collected (Including Delinquent)</b>	<b>Actual Overage (Shortage)</b>
2016	1.2433	\$ 101,864,100		
2015	1.2433	91,410,204	100,934,605	9,524,401
2014	1.2433	81,717,000	91,006,859	9,289,859
2013	1.2433	73,733,050	83,773,193	10,040,143
2012	1.1834	63,972,108	78,993,722	15,021,614
2011	1.1834	63,770,428	64,586,081	815,653

#### **Investment Interest**

Investments made by the District comply with the Public Funds Investment Act (Texas Government Code Chapter 2256, Subchapter A) and all federal, state, and local statutes, rules or regulations (*Gov't Code 2256.026*).

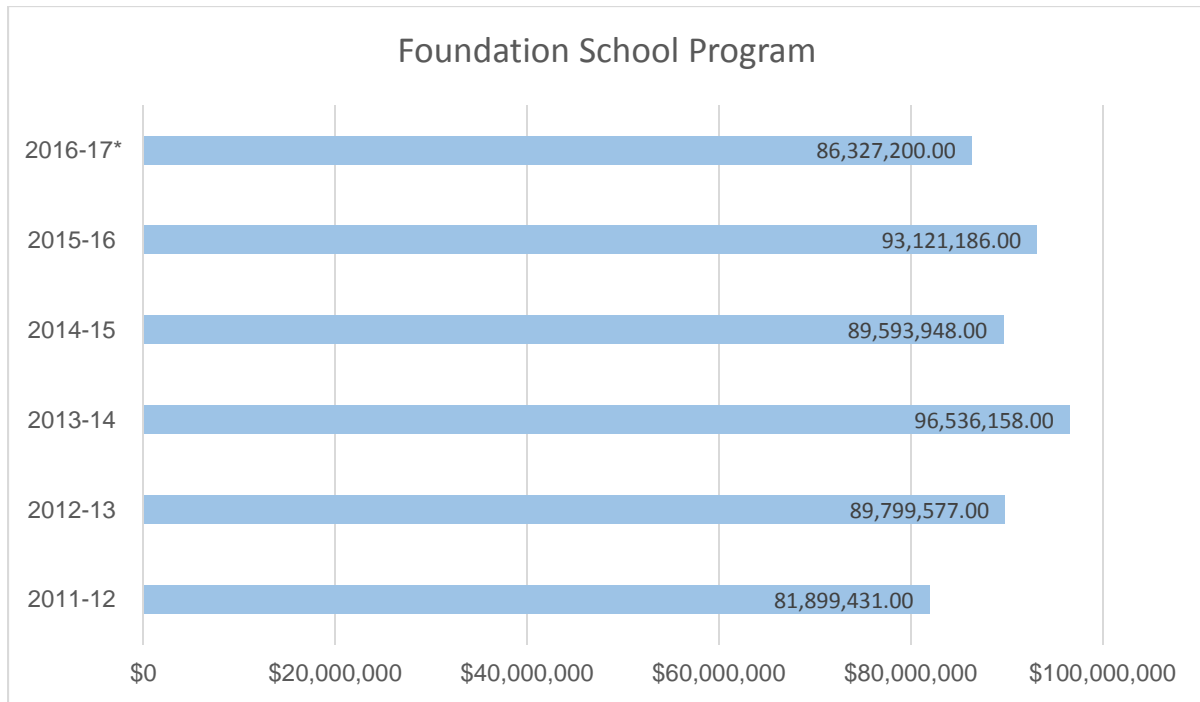
### State Revenue

#### **The Foundation School Program**

The Foundation School Program (FSP), administered by the Texas Education Agency (TEA), is the state program that establishes the amount of state and local funding due to school districts under Texas school finance law and that provides the state share of this funding to districts. The FSP is meant to ensure that all school districts, regardless of property wealth, receive "substantially equal access to similar revenue per student at similar tax effort, considering all state and local tax revenues of districts after acknowledging all legitimate student and district cost differences."

*Source: Texas Education Code, §42.001(b)*

The following graph shows the Foundation School Program amounts received by the district for the past five years, plus the anticipated amount to be received in the current fiscal year.



\*Budget

**Per Capita Apportionment**

Under the Texas Constitution, Texas school districts and charter schools receive payments from the Available School Fund (ASF) for all enrolled eligible students. The ASF is primarily made up of revenue generated by both the state's fuel tax and the Permanent School Fund.

Districts and charter schools receive these "per capita" payments based on prior-year average daily attendance (ADA). The payment rate per ADA (the distribution rate) is adopted each year by the State Board of Education.

The ASF serves as a method of finance for the Foundation School Program (FSP). Thus, this source of revenue helps with the state's FSP payments to school districts and charter schools. This is not additional revenue.

All districts, regardless of property wealth, are eligible to receive ASF funds.

The State revenue sources discussed above and local revenue from property tax collections made up approximately 93.9% of total general fund revenue for 2015-16. The majority of the remaining revenue is contributed by the State of Texas for the Teacher Retirement System (TRS) on-behalf of the District's employees. This amount is also recognized as an expenditure estimate, which is calculated at 6.8% of eligible employee earnings.

## School District Retiree Health Plan

*Plan Description.* Galena Park ISD contributes to the Texas Public School Retired Employees Group Insurance Program (TRS-Care), a cost-sharing multiple-employer defined benefit post-employment health care plan administered by the Teacher Retirement System of Texas. TRS-Care Retired Plan provides health care coverage for certain persons (and their dependents) who retired under the Teacher Retirement System of Texas. The statutory authority for the program is Texas Insurance Code, Chapter 1575. Section 1575.052 grants the TRS Board of Trustees the authority to establish and amend basic and optional group insurance coverage for participants. The TRS issues a publicly available financial report that includes financial statements and required supplementary information for the TRS-Care. That report may be obtained by visiting the TRS web site at [www.trs.state.tx.us](http://www.trs.state.tx.us), by writing to the Communications Department of the Teacher Retirement System of Texas at 1000 Red River Street, Austin, Texas 78701, or by calling 1-800-223-8778.

*Funding Policy.* Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements, if as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Employee contribution rates are set in state statute, Texas Government Code 825.402. Senate Bill 1458 of the 83rd Texas Legislature amended Texas Government Code 825.402 for member contributions and established employee contribution rates for fiscal years 2014 thru 2017. It also added a 1.5% contribution for employers not paying Old Age Survivor and Disability Insurance (OASDI) on certain employees effective for fiscal year 2015 as discussed in Note 1 of the TRS 2014 CAFR. The 83rd Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2014 and 2015.

Contribution rates and amounts are shown in the table below for the past three fiscal years.

	<b>Contribution Rates</b>		
	<b>2016</b>	<b>2015</b>	<b>2014</b>
Non-Employer Contributing Entity	6.80%	6.80%	6.80%
Member	7.20%	6.70%	6.40%
Employers	6.80%	6.80%	6.80%

## **Enrollment**

Enrollment projections are one of the most significant factors in the budget development and long-range financial planning process. These projections are designed to predict the student enrollment of the District based on geographic data, student data, migration data, and historical data of student populations.

A recent assessment of projected student attendance and campus capacity identified ten (10) campuses that would be *at* capacity and seven (7) campuses *over* capacity by the year 2023. The District called a bond election with a \$290 million proposal, which included the following specific purposes:

- Rebuild six (6) elementary campuses
- Build a 10<sup>th</sup> Grade Center on the north side of the district
- Renovations and upgrades to all other campuses
- Land acquisition for Facilities Opportunities

Voters approved the proposal on May 7, 2016. Additional information regarding the plans for these funds are included in the section [2016 Series Bonds](#).

## Federal Revenue

### **School Health and Related Services**

The largest source of federal revenue for the District comes in the form of reimbursements from the School Health and Related Services (SHARS) program. SHARS allows local school districts to obtain Medicaid reimbursement for certain health-related services provided to students in special education. The budgeted amount for 2016-17 is \$800,000 or 0.39% of the total revenue budget.

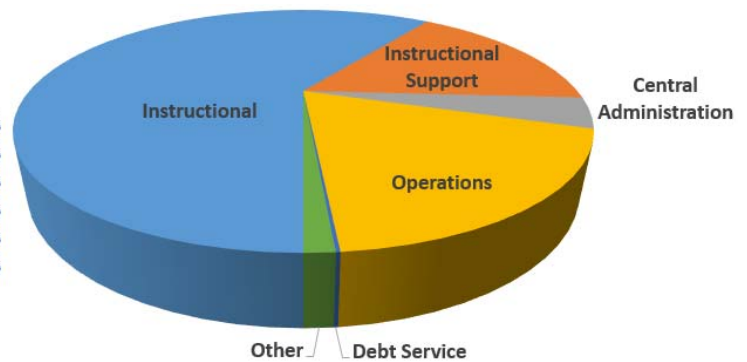
Expenditures

The adopted General Fund expenditure budget for 2016-17 is \$204,721,300. This is an increase of \$6,602,927 or 3.33% more than the adopted 2015-16 expenditure budget. The majority of the increase is a result of compensation plan adjustments and technology infrastructure investments. The board approved a 2.0% across the board pay raise for all employees and shifted teacher starting salary to \$52,500, estimated to increase payroll costs approximately \$4.6 million. Additional technology investments are estimated at \$1.6 million. The budget proposed to the Board for adoption is balanced.

The graphs that follow depict the 2016-17 expenditure budget for the general fund.

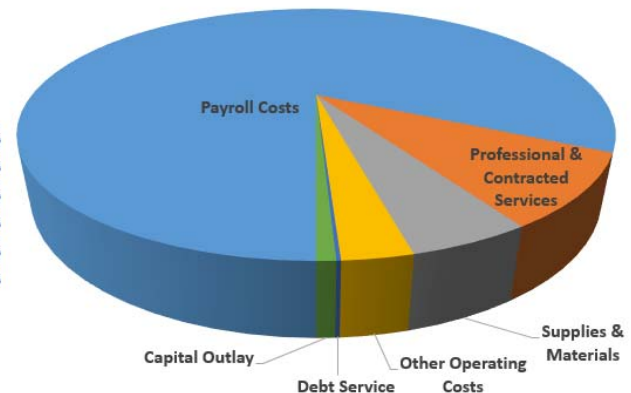
**General Fund Budget by Major Area**

Instructional	\$ 122,331,600	59.8%
Instructional Support	33,121,300	16.2%
Central Administration	8,491,600	4.1%
Operations	37,814,700	18.5%
Debt Service	371,000	0.2%
Other	2,591,100	1.3%
<b>Total</b>	<b>\$ 204,721,300</b>	



**General Fund Budget by Major Object**

Payroll Costs	\$ 168,418,700	82.3%
Professional & Contracted Services	18,164,300	8.9%
Supplies & Materials	10,321,800	5.0%
Other Operating Costs	5,863,400	2.9%
Debt Service	371,000	0.2%
Capital Outlay	1,582,100	0.8%
<b>Total</b>	<b>\$ 204,721,300</b>	



**General Fund Expenditures by Major Object**

	Adopted Budget 2015-16	Adopted Budget 2016-17	Percentage Increase (Decrease)
Payroll Costs	\$ 162,330,439	\$ 168,418,700	3.75%
Professional & Contracted Services	17,617,376	18,164,300	3.10%
Supplies & Materials	10,080,503	10,321,800	2.39%
Other Operating Costs	6,020,963	5,863,400	-2.62%
Debt Service	798,600	371,000	-53.54%
Capital Outlay	1,270,492	1,582,100	24.53%
	<b>\$ 198,118,373</b>	<b>\$ 204,721,300</b>	<b>3.33%</b>

**Campus and Department Budgets**

*Campus.* Each campus receives an allocation as part of the District’s general fund budget providing an opportunity for the campus to budget the allocation according to their needs and Campus Improvement Plan. The principal is responsible for allocating resources to cover the costs of instructional needs, library resources, campus initiated staff developments, school leadership requirements, health services, guidance and testing, and capital outlay. The authority to budget the campus allocation comes with accountability for student outcomes.

Campus allocations are based on the calculation below. With Average Daily Attendance (ADA) being a driving force of revenue, projected ADA is used to determine the allocation for each campus.

Elementary Schools	Projected ADA x \$100
Middle Schools	Projected ADA x \$109
High Schools	Projected ADA x \$173

The chart on the following page shows the 2016-17 budgets allocated to each campus.



Campus	Projected ADA	Payroll Costs	Prof. & Contracted Services	Supplies & Materials	Other Operating Costs	Capital Outlay	2016-17 Total
Galena Park High	1819.1	20,415	38,200	129,377	126,713	-	<b>314,705</b>
North Shore Senior - 9th Grade Ctr	1036.8	13,140	15,100	115,730	35,397	-	<b>179,367</b>
North Shore Senior High	3062.9	47,193	49,580	267,016	166,093	-	<b>529,882</b>
Accelerated Center for Education	N/A	400	9,318	15,563	14,350	-	<b>39,631</b>
Early College High School	250.0	5,000	2,000	12,025	16,225	-	<b>35,250</b>
Cimarron Elementary	749.3	3,224	7,250	40,456	24,000	-	<b>74,930</b>
Cloverleaf Elementary	764.3	509	7,500	42,071	26,350	-	<b>76,430</b>
Havard Elementary	658.1	3,750	10,480	38,780	12,800	-	<b>65,810</b>
Galena Park Elementary	587.0	2,834	12,643	24,376	17,869	978	<b>58,700</b>
Green Valley Elementary	742.6	9,497	9,080	36,868	18,815	-	<b>74,260</b>
Jacinto City Elementary	768.2	503	6,010	51,032	19,275	-	<b>76,820</b>
MacArthur Elementary	656.0	1,640	5,665	40,510	17,785	-	<b>65,600</b>
North Shore Elementary	911.8	5,030	7,900	52,150	26,100	-	<b>91,180</b>
Pyburn Elementary	605.3	1,033	9,525	30,937	19,035	-	<b>60,530</b>
Woodland Acres Elementary	417.6	950	6,750	15,685	18,375	-	<b>41,760</b>
Tice Elementary	669.0	3,700	1,500	41,178	20,522	-	<b>66,900</b>
Purple Sage Elementary	525.9	758	5,053	31,416	15,363	-	<b>52,590</b>
Normandy Crossing Elementary	608.1	2,815	9,975	28,245	19,775	-	<b>60,810</b>
Williamson Elementary	590.8	5,638	1,600	40,295	11,547	-	<b>59,080</b>
Sam Houston Elementary	811.2	2,892	4,932	44,464	28,832	-	<b>81,120</b>
Galena Park Middle	969.5	12,833	14,377	47,178	31,288	-	<b>105,676</b>
North Shore Middle	1330.0	17,220	9,000	71,970	46,780	-	<b>144,970</b>
Woodland Acres Middle	502.5	4,186	6,980	31,077	12,527	-	<b>54,770</b>
Cunningham Middle	930.9	13,220	7,022	34,628	46,599	-	<b>101,469</b>
Cobb 6th Grade	1138.2	11,688	8,200	60,548	39,075	-	<b>119,511</b>



*Department.* Department allocations are based on the prior year allocation including any permanent increases or decreases that occurred during the year. In the planning stage, department budget managers take into account:

- The goals and objectives identified in the District Improvement Plan (DIP)
- Past expenditure levels by function, object code and program intent

The chart below breaks down the 2016-17 budgets allocated to each department unit.

Department	Payroll Costs	Prof. & Contracted Services	Supplies & Materials	Other Operating Costs	Debt Service	Capital Outlay	2016-17 Total
Curriculum & Instruction	197,172	237,300	238,987	121,620	-	-	<b>795,079</b>
Gifted & Talented	21,902	6,525	82,371	49,865	-	-	<b>160,663</b>
Technology	30,946	845,309	1,845,743	20,880	-	30,000	<b>2,772,878</b>
Bilingual/ESL	215,125	25,285	288,148	38,405	-	-	<b>566,963</b>
Fine Arts & Academic Enrichment	21,811	127,700	380,309	163,374	-	-	<b>693,194</b>
Education & Academic Support	36,901	277,201	187,102	35,220	-	-	<b>536,424</b>
Compensatory Education	138,843	105,688	484,766	22,485	-	-	<b>751,782</b>
Special Programs	3,747	213,411	8,800	14,700	-	-	<b>240,658</b>
Student Assessment & Accountability	1,850	41,750	61,972	12,950	-	-	<b>118,522</b>
Special Education	82,960	16,700	234,195	37,250	-	-	<b>371,105</b>
Career & Technology	86,680	28,915	210,196	88,880	-	-	<b>414,671</b>
Staff Development	10,150	10,100	20,618	29,367	-	-	<b>70,235</b>
School Administration	42,671	4,685	4,900	42,633	-	-	<b>94,889</b>
Athletics	40,224	52,500	359,000	253,400	-	-	<b>705,124</b>
Educational Support	12,912	9,360	43,260	26,918	-	-	<b>92,450</b>
School Improvement	21,698	100,050	51,948	34,500	-	-	<b>208,196</b>
Student Applications	1,310	2,000	9,750	7,500	-	-	<b>20,560</b>
Education Foundation	-	900	1,090	1,100	-	-	<b>3,090</b>
Deputy Super., Edu. Support & School Admin.	155,844	339,563	44,209	131,905	-	-	<b>671,521</b>
Night School	47,500	-	2,500	-	-	-	<b>50,000</b>
Communications	15,050	69,824	175,025	118,375	-	-	<b>378,274</b>
Operations	17,755	793,473	7,484	42,806	-	-	<b>861,518</b>
Maintenance	-	645,500	730,946	25,800	-	4,000	<b>1,406,246</b>
Energy Management	-	5,348,441	-	5,000	-	-	<b>5,353,441</b>
Custodial Services	-	189,375	206,969	9,140	-	-	<b>405,484</b>
Transportation	-	265,100	976,494	4,200	-	915,047	<b>2,160,841</b>
Ground Maintenance	-	121,675	181,826	4,500	-	35,000	<b>343,001</b>
Student Nutrition	-	332,500	-	67,500	-	-	<b>400,000</b>
Security	5,390	2,141,954	97,550	13,600	-	19,000	<b>2,277,494</b>
Lifecycle Projects	-	2,500,000	-	-	-	-	<b>2,500,000</b>
Security & Emergency Management	1,891	5,930	6,391	10,408	-	-	<b>24,620</b>
HR - Admin	3,340	62,500	36,420	143,800	-	7,000	<b>253,060</b>
Risk Management	2,553	12,500	27,276	2,704,485	-	-	<b>2,746,814</b>
Elementary Human Resource Services	-	333	19,615	19,471	-	-	<b>39,419</b>
Tax Collector	857	57,962	12,151	9,900	-	-	<b>80,870</b>
Facilities Planning/Life Cycle	-	16,914	25,625	5,750	-	-	<b>48,289</b>
Recruitment	-	-	-	-	-	-	<b>-</b>

Department	Payroll Costs	Prof. & Contracted Services	Supplies & Materials	Other Operating Costs	Debt Service	Capital Outlay	2016-17 Total
Secondary Human Resource Services	1,000	4,300	8,627	4,003	-	-	17,930
Benefits	1,500	8,000	5,800	22,700	-	-	38,000
Athletic Events	113,745	96,005	-	11,500	-	-	221,250
CFO	-	19,800	14,100	19,100	-	-	53,000
Payroll	-	1,200	12,698	2,500	-	-	16,398
Warehouse/Textbooks	-	3,919	10,148	4,841	-	-	18,908
Finance & Budget	1,677	940	5,679	12,751	-	-	21,047
Business Services	917	6,550	16,810	11,760	-	-	36,037
Districtwide Expenses - CFO	-	2,505,237	1,631,877	282,048	371,000	550,075	5,340,237
Superintendent's Office	34,240	224,849	199,250	202,800	-	21,000	682,139
Chief of Staff	1,120	18,937	4,600	99,220	-	-	123,877
Special Projects	-	-	5,000	5,000	-	-	10,000



## Debt Service

The Debt Service Fund accounts for payments of principal, interest, and related fees on the District's general obligation bonds. Under Texas Law, only these Debt Service payments can be charged to this fund.

The most recent bond election was held on May 7, 2016 for \$290 million, passing by 72%. The district will use the bond to address aging facilities, student safety and 21st century education. Plans will include renovations to all 25 educational facilities and 9 support facilities. As of the budget adoption date, no bond sales had occurred.

*Source: North Channel Star <http://www.northchannelstar.com/2016/05/>*

### Local Revenue

A majority of funding is derived from a designated allocation of the property tax rate, 92.86% for 2015-16. The remainder of locally sourced Debt Service revenue is from interest income derived from temporary investments, 0.17% for 2015-16.

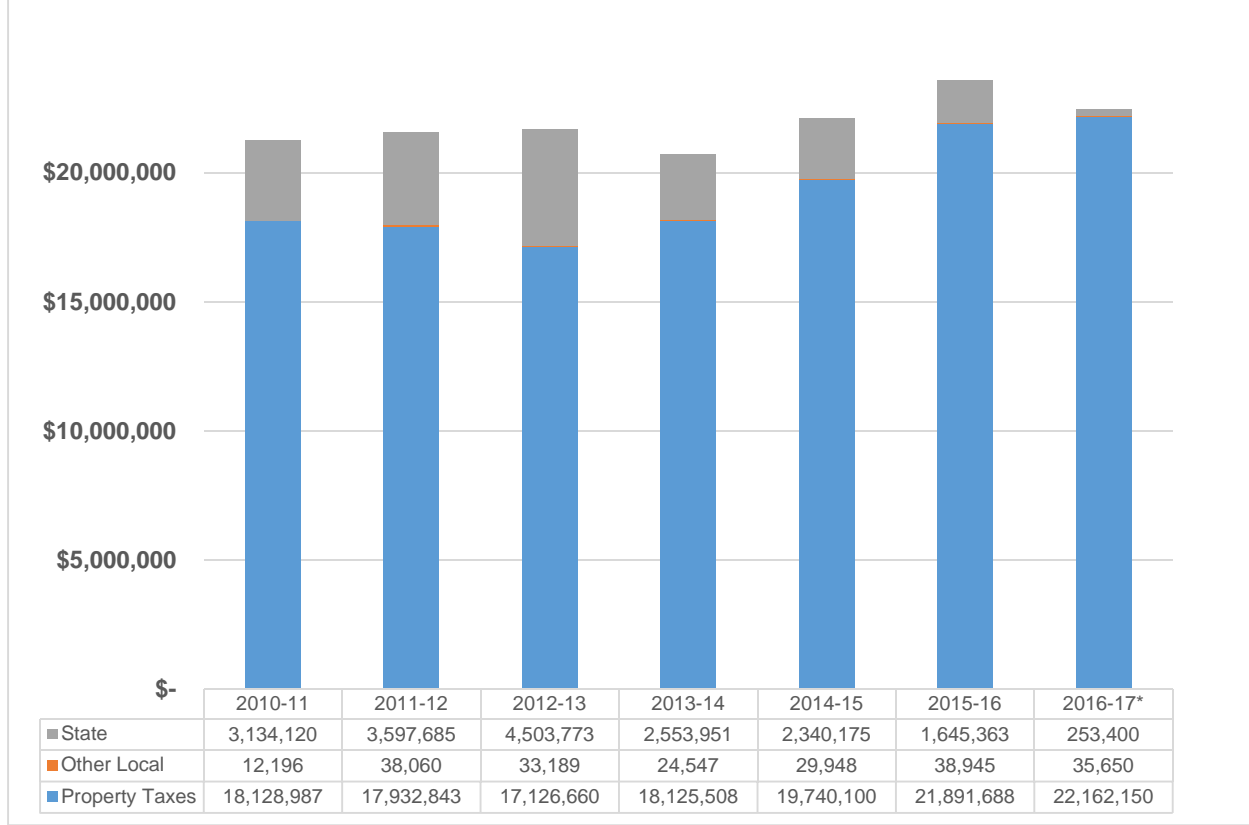
### State Revenue

#### **Instructional Facilities Allotment Program**

The Instructional Facilities Allotment (IFA) program provides assistance to school districts in making debt service payments on qualifying bond or lease-purchase agreements. Bond or lease-purchase proceeds must be used for the construction or renovation of an instructional facility. This program was enacted by House Bill 1 of the 75th Legislature. State funding accounted for 6.98% of the District's Debt Service revenue in 2015-16.

The graph on the following page depicts the district's total Debt Service revenue over time.

### Debt Service Fund Revenue Source Trends



\*Budget

### Expenditures

The Debt Service budget for FY 2016-17 includes \$10,217,505 for principal and \$9,362,495 for interest on outstanding bonds, and \$8,000 for fees associated with these payments. The total amount of outstanding Debt for Galena Park ISD as of September 1 is \$341,141,723.76.

This budget will be revised once the District has begun to sell the bonds approved in the May 7, 2016 election.

Debt Service is a major area of cost due to the District's building program, which is primarily financed by the sale of general obligation bonds. The ratio of net bonded debt to assessed value for the District is 1.64%. Although education legislation has eliminated limits on outstanding debt, most school business officials in Texas hold the opinion that the Attorney General would not approve bonded indebtedness in excess of 10 percent of assessed value. All principal and interest payments are due February 15th and August 15th of each year. On February 1st of each year, outstanding taxes become delinquent, which permits the collection of a large majority of taxes levied before the long-term debt payments are due. The General Obligation bond requirements to maturity as of September 1, 2016 total \$165,657,533.60 in principal payments and \$175,484,190.16 in interest payments.

### Legal Debt Margin Calculation for Fiscal Year 2016

Assessed Taxable Value	\$8,142,261,887
Add back:	
Exempt Real Property	2,163,524,334
<b>Total Assessed Value</b>	<b>\$10,305,786,221</b>
Debt Limit (10% of total assessed value)	\$1,030,578,622
Debt Applicable to Limit:	
Schoolhouse and Refunding Bonds	168,641,638
Less: Amount set aside for repayment of bonds	<u>(7,539,500)</u>
<b>Total Net Debt Applicable to Limit</b>	<b>161,102,138</b>
<b>Legal Debt Margin</b>	<b>\$869,476,484</b>

Total Net Debt Applicable to the Limit as a  
Percentage of Debt Limit 15.63%

Ratio of net bonded debt to assessed value 1.64%

The District uses the proceeds from bond sales to fund construction of new campuses, remodeling of campuses and other district buildings, furnishing new buildings, and purchase large technology expenditures.

The following pages show the outstanding debt repayment schedule, as of August 31, 2016.

Fiscal Year Ending (Aug 31)	Series 1996 Building & Ref EDA PSF Guaranteed (Non-Callable)	Series 2002 Building & Ref IFA/EDA PSF Guaranteed (Non-Callable)	Series 2007 Building & Ref IFA/EDA PSF Guaranteed (8/15/2017)	Series 2008 Building IFA/EDA PSF Guaranteed (8/15/2018)	Series 2010 Building IFA/EDA PSF Guaranteed (8/15/2020)	Series 2011 Refunding IFA/EDA PSF Guaranteed (2/15/2021)
2017	\$ 4,720,000.00	\$ -	\$ 3,919,445.00	\$ 1,055,712.50	\$ 832,850.00	\$ 465,750.00
2018	4,720,000.00	-	3,598,245.00	1,058,462.50	827,100.00	2,492,000.00
2019	4,720,000.00	-	3,602,045.00	1,060,462.50	821,350.00	2,490,800.00
2020	4,720,000.00	-	3,603,245.00	1,056,025.00	825,600.00	841,200.00
2021	4,720,000.00	-	3,603,525.00	1,051,062.50	829,350.00	214,000.00
2022	4,720,000.00	2,530,000.00	7,240,000.00	1,050,575.00	827,600.00	735,800.00
2023	4,720,000.00	2,530,000.00	7,230,200.00	1,044,300.00	835,600.00	731,600.00
2024	4,720,000.00	2,525,000.00	7,224,825.00	1,042,500.00	832,850.00	736,600.00
2025	4,720,000.00	2,520,000.00	7,213,200.00	1,039,912.50	834,850.00	735,400.00
2026	4,720,000.00	2,525,000.00	7,205,100.00	1,036,537.50	841,350.00	733,200.00
2027	4,720,000.00	10,275,000.00	1,704,850.00	1,034,200.00	827,100.00	
2028	4,725,000.00	10,270,000.00	1,699,050.00	1,031,150.00	833,100.00	
2029	4,720,000.00	10,275,000.00	1,701,000.00	1,032,387.50	828,350.00	
2030	4,720,000.00	10,280,000.00	1,705,250.00	1,027,675.00	833,350.00	
2031	4,720,000.00	10,275,000.00	1,701,575.00	1,027,250.00	834,750.00	
2032		14,995,000.00	1,735,200.00	1,024,750.00	835,468.76	
2033			2,074,325.00	5,531,250.00	7,820,775.00	
2034				5,906,250.00	6,763,500.00	
	<u>\$70,805,000.00</u>	<u>\$79,000,000.00</u>	<u>\$66,761,080.00</u>	<u>\$28,110,462.50</u>	<u>\$27,884,893.76</u>	<u>\$10,176,350.00</u>

Fiscal Year Ending (Aug 31)	Series 2012 Refunding IFA/EDA PSF Guaranteed (8/15/2022)	Series 2013 Refunding EDA PSF Guaranteed (2/15/2023)	Series 2013 Taxable Refunding IFA/EDA PSF Guaranteed (Non-Callable)	Series 2014 Refunding IFA/EDA PSF Guaranteed (2/15/2024)	Series 2015 Refunding IFA/EDA PSF Guaranteed (Non-Callable)	Total Outstanding Voted Bond Debt Service
2017	\$ 2,110,387.50	\$ 256,575.00	\$ 4,364,950.00	\$ 413,312.50	\$ 1,441,012.50	\$ 19,579,995.00
2018	380,387.50	472,525.00	4,357,750.00	410,112.50	1,261,312.50	19,577,895.00
2019	381,512.50	466,875.00	4,355,150.00	415,312.50	1,264,712.50	19,578,220.00
2020	2,032,512.50	461,075.00	4,351,750.00	1,235,212.50	451,562.50	19,578,182.50
2021	2,658,062.50	465,125.00	4,352,425.00	1,235,212.50	450,062.50	19,578,825.00
2022	328,212.50	263,725.00		975,362.50	905,162.50	19,576,437.50
2023	361,012.50	243,025.00		982,412.50	901,312.50	19,579,462.50
2024	352,612.50	242,775.00		1,008,562.50	890,012.50	19,575,737.50
2025	369,212.50	242,375.00		1,003,212.50	898,612.50	19,576,775.00
2026	365,062.50	236,825.00		1,017,262.50	899,600.00	19,579,937.50
2027	265,762.50	240,812.50		660,112.50		19,727,837.50
2028	269,162.50	239,475.00		662,862.50		19,729,800.00
2029	266,687.50	242,475.00		665,012.50		19,730,912.50
2030	264,050.00	240,125.00		225,025.00		19,295,475.00
2031	261,250.00	242,062.50		217,712.50		19,279,600.00
2032	263,287.50	238,625.00		205,400.00		19,297,731.26
2033				202,800.00		15,629,150.00
2034						12,669,750.00
	<u>\$10,929,175.00</u>	<u>\$ 4,794,475.00</u>	<u>\$21,782,025.00</u>	<u>\$11,534,900.00</u>	<u>\$ 9,363,362.50</u>	<u>\$341,141,723.76</u>



**COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT**

*For the Year Ended August 31, 2016*

<u>Governmental Unit</u>	<u>Net Debt</u>		<u>Percentage Overlapping</u>	<u>Amount of Overlapping Debt</u>
	<u>Amount</u>	<u>As Of</u>		
<b>Cities:</b>				
Galena Park	\$5,631,179	9/30/2015	100.00%	\$5,631,179
Houston	2,903,103,474	6/30/2015	0.32%	9,289,931
Jacinto City	2,640,000	6/30/2016	34.59%	913,176
<b>Counties:</b>				
Harris	-	2/29/2016	1.89%	-
<b>Municipal Utility Districts:</b>				
Harris Co. MUD 8	3,653,533	6/30/2016	100.00%	3,653,533
Harris Co. MUD 53	10,985,669	10/13/2015	27.20%	2,988,102
Harris Co. MUD 285	48,073,639	6/30/2016	69.67%	33,492,904
<b>Water Control and Improvement Districts</b>				
Harris Co. WC&ID 36	13,148,843	6/30/2015	100.00%	13,148,843
Port of Houston Authority	-	12/31/2015	15.77%	-
<b>Other Governmental Entities:</b>				
Harris County Department of Education	7,210,000	8/31/2015	1.89%	136,269
Harris County Flood Control District	78,841,017	2/29/2016	1.89%	1,490,095
Harris Co. FWSD 51	11,289,750	6/30/2015	100.00%	11,289,750
Harris County Toll Road Authority	-	2/29/2016	1.89%	-
San Jacinto Community College District	412,288,509	8/31/2015	15.77%	65,017,898
			Subtotal, overlapping debt	\$147,051,680
			Galena Park Independent School District Direct Debt	\$165,657,531
			<b>Total Direct and Overlapping Debt</b>	<b>\$312,709,211</b>

Sources: Texas Municipal Report issued by the Municipal Advisory Council of Texas

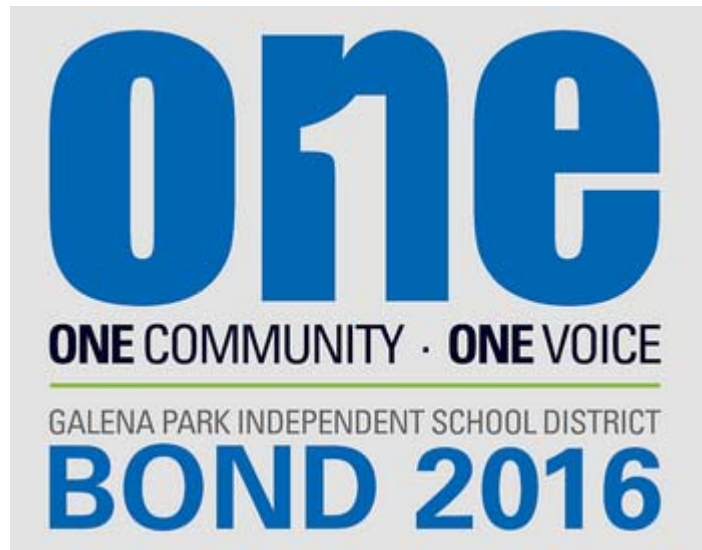
Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Galena Park Independent School District. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for paying the debt, of each overlapping government.

## 2016 Bond Series

The most recent bond election was held on May 7, 2016 for \$290 million, passing by 72%. The district will use the bond to address aging facilities, student safety and 21st century education. Plans will include renovations to all 25 educational facilities and 9 support facilities. As of the budget adoption date, no bond sales had occurred.

Source: North Channel Star <http://www.northchannelstar.com/2016/05/>

The following information was available on the District's website prior to the Bond election date. <http://www.galenaparkisd.com/bond2016/>



### **Early Implementation of School Bond Begins**

The Galena Park Independent School District began the process of accepting bids for professional services made possible by the 2016 voter-approved \$290 million bond. The first step of selecting professional services is expected to be completed by Fall 2016. The next step in the 2016 Bond will be the design phase, with an anticipated start date in Fall 2016.

#### Step I

Select Professional Services  
projected completion - Fall 2016

#### Step II

Design Development  
projected start - Fall 2016

## **Board of Trustees Calls School Bond Election**

On Saturday, May 7, GPISD voters approved a \$290 million dollar bond proposal. The district will use the bond to address aging facilities, student safety and 21st century education. Plans will include renovations to all 25 educational facilities and 9 support facilities.

Specific uses for the bond funds include:

- Rebuild 6 Elementary Campuses
- North Shore Senior High School 10<sup>th</sup> Grade Center
- Renovations and Upgrades to all other Campuses and Facilities
- Land Acquisition for Facility Opportunities

More than 70 percent of GPISD buildings are 24-77 years old, and a recent assessment by independent school facilities experts identified more than \$500 million in renovation and construction needs throughout the district. This list does not reflect the routine maintenance GPISD regularly performs on district buildings. It is a result of mechanical, electrical, heating and cooling systems reaching the end of their life cycles, as well as changing state and federal standards and regulations. The \$290 million dollar bond represents those needs deemed most critical: approximately one-third of the overall total. A diverse citizens' committee of more than 30 people helped determine priorities and made recommendations to GPISD Trustees.

The board currently plans to use approximately \$217.5 million for the replacement of 6 elementary schools and a 10<sup>th</sup> Grade Center, along with \$70 million to address facility deficiencies at all district campuses and support facilities, plus \$2.5 million for land acquisition to address future growth.

GPISD estimates the maximum interest and sinking tax rate will be \$0.17 phased in over a three-year period. This would result in an additional \$7.83 in monthly taxes for the owner of a home valued at \$100,000. The tax rate increase would have no impact on the homesteads of district residents 65 or older because their tax rates can be frozen once senior citizen exemptions are filed with the appropriate county appraisal district. Additionally, GPISD will continue to offer all homeowners a 20% homestead exemption.

***On behalf of the children of Galena Park ISD, THANK YOU!***

# What is a Bond Election?

Texas public schools rely on the support of local taxpayers to fund the construction and improvement of school facilities.

Similar to homeowners borrowing money in the form of a mortgage, a school district borrows to finance the design, construction, expansion, and renovations of schools and facilities.

Bonds must be approved by voters in a bond election then sold to investors in the competitive investment market.



## EARLY VOTING APRIL 25-MAY 2

**8:00 AM- 4:00 PM**

## EARLY VOTING MAY 3

**8:00 AM- 5:00 PM**

Galena Park Middle School  
400 Keene Street  
Galena Park, Texas 77547

Galena Park ISD Administration Building  
14705 Woodforest Blvd.  
Houston, Texas 77015

## ELECTION DAY MAY 7

**7:00 AM- 7:00 PM**

**VOTE  
MAY 7**

Galena Park Middle School  
400 Keene Street  
Galena Park, Texas 77547

Jacinto City Town Center  
1025 Oates Rd.  
Jacinto City, Texas 77029

Cloverleaf Elementary School  
1035 Frankie St.  
Houston, Texas 77015

Tice Elementary School  
14210 Wallisville Rd.  
Houston, Texas 77049

North Shore Elementary School  
14310 Duncannon Dr.  
Houston, Texas 77015

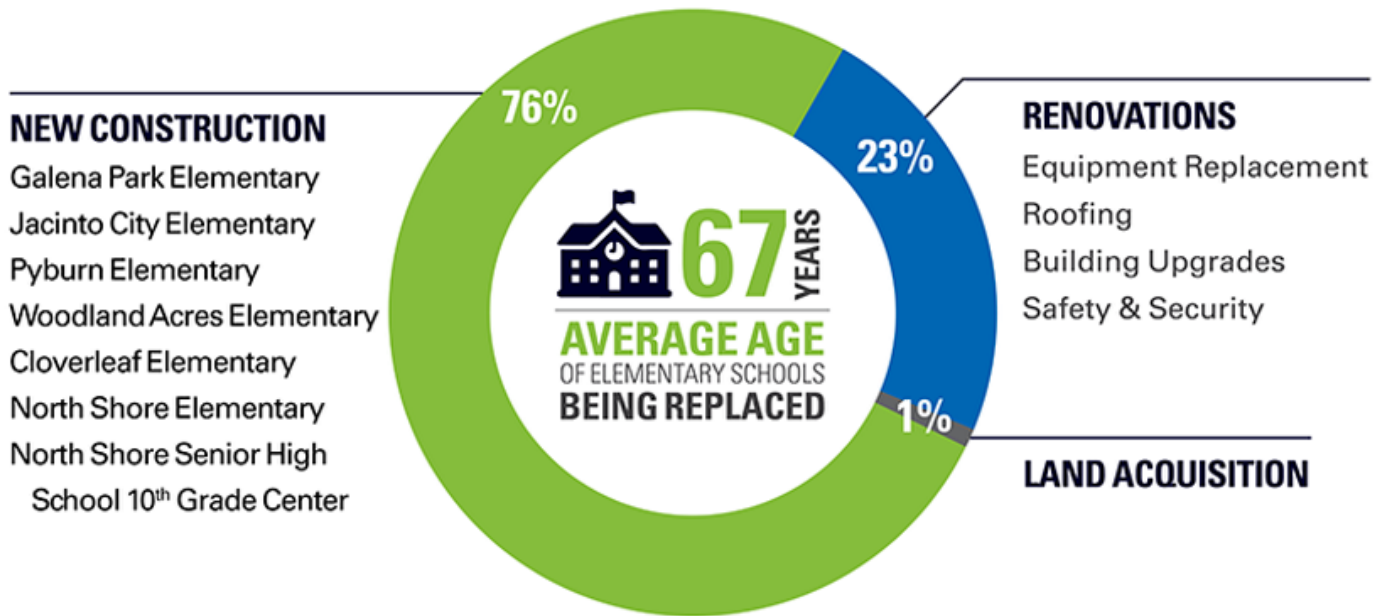
Green Valley Elementary School  
13350 Woodforest Blvd.  
Houston, Texas 77015

# VOTER REGISTRATION

The last day for eligible voters who are not yet registered to submit their application for registration is

# THURSDAY, APRIL 7, 2016

# Bond 2016 Overview



## New Construction

### New Construction Projects

- Galena Park Elementary
- Jacinto City Elementary
- Pyburn Elementary
- Woodland Acres Elementary
- Cloverleaf Elementary
- North Shore Elementary
- North Shore Senior High School 10th Grade Center



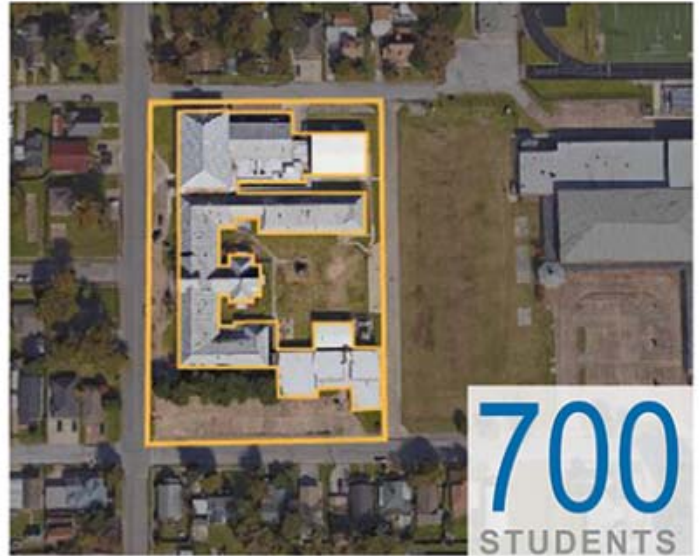
## Galena Park Elementary

ORIGINAL  
CONSTRUCTION IN  
**1936**

FACILITY AGE  
**77**  
YEARS

### PROPOSED

New Replacement School	New Classroom and Labs
New Roads and Parking	New Building Electrical & HVAC
New Playground	
New Kitchen and Cafeteria	



## Jacinto City Elementary

ORIGINAL  
CONSTRUCTION IN  
**1944**

FACILITY AGE  
**71**  
YEARS

### PROPOSED

New Replacement School	New Classroom and Labs
New Roads and Parking	New Building Electrical & HVAC
New Playground	
New Kitchen and Cafeteria	



## Pyburn Elementary

ORIGINAL  
CONSTRUCTION IN  
**1952**

FACILITY AGE  
**65**  
YEARS



### PROPOSED

New Replacement School	New Classroom and Labs
New Roads and Parking	New Building Electrical & HVAC
New Playground	
New Kitchen and Cafeteria	

## Woodland Acres Elementary

ORIGINAL  
CONSTRUCTION IN  
**1954**

FACILITY AGE  
**61**  
YEARS



### PROPOSED

New Replacement School	New Classroom and Labs
New Roads and Parking	New Building Electrical & HVAC
New Playground	
New Kitchen and Cafeteria	

## Cloverleaf Elementary

ORIGINAL  
CONSTRUCTION IN  
**1943**

FACILITY AGE  
**72**  
YEARS



### PROPOSED

New Replacement School	New Classroom and Labs
New Roads and Parking	New Building Electrical & HVAC
New Playground	
New Kitchen and Cafeteria	

## North Shore Elementary

ORIGINAL  
CONSTRUCTION IN  
**1961**

FACILITY AGE  
**54**  
YEARS



### PROPOSED

New Replacement School	New Kitchen and Cafeteria
New Roads and Parking	New Classroom and Labs
New Playground	New Building Electrical & HVAC



## North Shore Senior High School 10th Grade Center

### PROPOSED

Additional Roads and Parking	Additional Classroom and Labs
Additional Kitchen & Cafeteria	Additional Building Electrical & HVAC

Will share athletics and fine arts with NSSHS



# Facility Renovations

## Campus and Facility Renovations

ACT Health Clinic  
Administration Building  
Cimarron Elementary  
Cobb Sixth Grade Campus  
Cunningham Middle  
Galena Park Middle  
Galena Park High  
Green Valley Elementary  
Grounds Department  
Harvard Elementary  
Joyce Zotz Education Center  
MacArthur Elementary  
Maintenance Facility  
Normandy Crossing Elementary  
North Shore Senior High 9<sup>th</sup> Grade Campus  
North Shore Middle  
North Shore Senior High  
Purple Sage Elementary  
Sam Houston Elementary  
Stadium / Pool  
Tice Elementary  
Transportation  
Williamson Elementary  
Woodland Acres Middle

### Existing Campus Renovations

Roofing Systems & Building Upgrades  
Additional Common Spaces  
New Classrooms  
Americans with Disabilities Act Compliance  
Safety & Security  
Equipment Replacement  
Accessibility

# Press Release

## Galena Park ISD Community Approves \$290 Million Bond Package

Posted Saturday, May 7, 2016

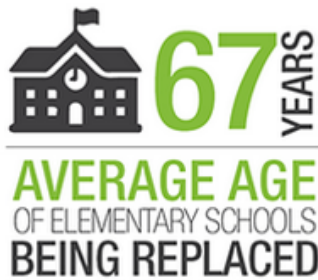
**Houston, Texas:** The unofficial results of the Saturday, May 7, 2016 election indicate that voters of the Galena Park ISD community approved a bond package totaling \$290 million. Specific proposed uses for the bond funds include:

- Rebuilding 6 Elementary Campuses
- Constructing North Shore Senior High School 10th Grade Center
- Renovating and Upgrading all Campuses and Facilities
- Acquiring Land for Future Facility Needs

The bond website will be transitioned into a bond construction website in order to provide our citizens information about the status of the bond projects.

***On behalf of the children of Galena Park ISD, THANK YOU!***

# Bond 2016 District Snapshot



# 34

TOTAL DISTRICT FACILITIES

**ELEMENTARY SCHOOLS 15**  
**5 MIDDLE SCHOOLS**  
**HIGH SCHOOLS 2**  
**3 EDUCATIONAL FACILITIES**  
**OTHER FACILITIES 9**

The Texas State Board of Education (SBOE) recognized school volunteer  
**KIM HADAWAY**  
 for the Heroes for Children Award

The GPISD Maritime Program received a check for \$7,500 from the Port of Houston Authority, along with a popcorn machine and all ingredients to conduct a fundraiser.  
**THE PORT MATCHED EVERY \$500 RAISED.**

**78 GPISD ELEMENTARY CLASSROOMS**  
 (with 1,564 students and 256 staff and volunteers) participated in "Reading across the Globe" in November

Cloverleaf Elementary and Woodland Acres Middle School were named as "Children at Risk" Houston  
**GOLD RIBBON SCHOOLS**

North Shore Senior High School received a commemorative "Golden Football" in honor of former student  
**CHYKIE BROWN**  
 who was a member of the Ravens Super Bowl Championship Team

GPHS received a commemorative "Golden Football" from former NFL Super Bowl Champion from the Miami Dolphins  
**HOWARD TWILLEY**

Houston Rocket **DWIGHT HOWARD** visited more than 1,000 students at North Shore Senior High School to encourage them to stay in school, focus on their goals, and remain drug free

The Association of School Business Officials (ASBO) International awarded GPISD its  
**PATHWAY TO MERITORIOUS BUDGET AWARD (MBA)**  
 for excellence in budget presentation during the 2015-2016 school year

Louise Armstrong Glenn, daughter of the late Orville "Jack" Armstrong, a 1945 graduate of Galena Park HS, **DONATED A TOTAL OF \$100,000** over the next 20 years to fund one \$5,000 scholarship per year to a deserving GPHS student

The Texas Association for Bilingual Education (TABE) honored Green Valley Elementary Teacher **HILDA NÁÑEZ** as the **TABE 2015 BILINGUAL EDUCATION TEACHER OF THE YEAR**

TASSP Region IV named **LEE RAMIREZ** and **LUCIA PALAZZI** of Woodland Acres Middle School as Middle School Principal of the Year and Middle School Assistant Principal of the Year.

TASSP Region IV named **KIM MARTIN** of North Shore Senior High School as High School Assistant Principal of the Year.

Normandy Crossing Elementary teacher, **ANGEL HERRING**, received the **KHOU RED APPLE AWARD**, sponsored by Star Furniture, during the live broadcast of Great Day Houston, hosted by Deborah Duncan

North Shore Senior High School Custodian **HERMAN JOSEPH** was nominated for the 2015-2016 national **LIFE CHANGER OF THE YEAR AWARD**

North Shore Middle School teacher **MELANIE PERRY** was named ConocoPhillips **MATH TEACHER OF THE MONTH** and was recognized at a Houston Astros game

The following community members participated as the Focus Group Committee for the project:

**Jerry Allen**  
**Anthony Bass**  
**Shirley Boaz**  
**Dr. Dalane Bouillion**  
**Wilfred J. Broussard, Jr.**  
**Lee Brown**  
**Veronica Castro**  
**Bryan Clements**  
**Terral Cooley**  
**Ana Diaz**  
**Chris Diaz**  
**Mary Flores**  
**Letha Garcia**  
**Tony Gardea**  
**Ramon Garza**  
**Dr. Charles Grant**  
**Esmeralda Guerra**  
**Kim Hadaway**  
**Eronia "Taggy" Hall**

**June Harris**  
**Sam Harris**  
**Janie Jimenez**  
**Dale Jones**  
**Leroy Lacy**  
**Lance Lyles**  
**Veronica Martinez**  
**Esmerelda Moya**  
**Tymecka McGee Clark**  
**Wayne Oquin**  
**Bill Palko**  
**Lois Price**  
**Bobby Ray**  
**Vince Sebo**  
**Bianca Shaughnessy**  
**Linda Sherrard**  
**Joe Stephens**  
**Maria Trejo**  
**Eva Vera (Puga)**

## Food Service

The Food Service Special Revenue Fund accounts for the District’s Food Service Fund operations. Although Special Revenue Funds are generally not included in the annual budget adopted by the Board of Trustees, the Texas Education Agency’s regulations require inclusion of the Food Service Fund.

### Local Revenue

A majority of locally received revenue comes in the form of student, teacher, and guest payments for meals. For fiscal year 2015-16, \$2,333,083 was collected from these fees, comprising 16.15% of total Food Service revenues.

### Federal Revenue

#### **National School Breakfast and Lunch Program**

The National School Breakfast and Lunch Program are federally assisted meal programs operating in over 100,000 public and non-profit private schools and residential child care institutions. The programs have provided nutritionally balanced, low-cost or free breakfast and lunches to more than 31 million children each school day. In 1998, Congress expanded the program to include reimbursement for snacks served to children in afterschool educational and enrichment programs to include children through 18 years of age.

The Food and Nutrition Service administers the program at the Federal level; at the State level, the National School Lunch Program is administered by the Texas Education Agency. School districts and independent schools that choose to take part in the lunch program get cash subsidies and USDA foods from the U.S. Department of Agriculture (USDA) for each meal they serve. In return, they must serve lunches that meet Federal requirements, and they must offer free or reduced price lunches to eligible children.

During the 2015-16 fiscal year, the district served a total of 1,432,906 breakfasts and 3,060,040 lunches that qualified for reimbursement, receiving \$11,012,191 in National School Breakfast and Lunch Program reimbursements, which accounted for 76.25% of overall Food Service revenues.

Effective July 1, 2016 – June 30, 2017, the program reimbursement rates are as follows:

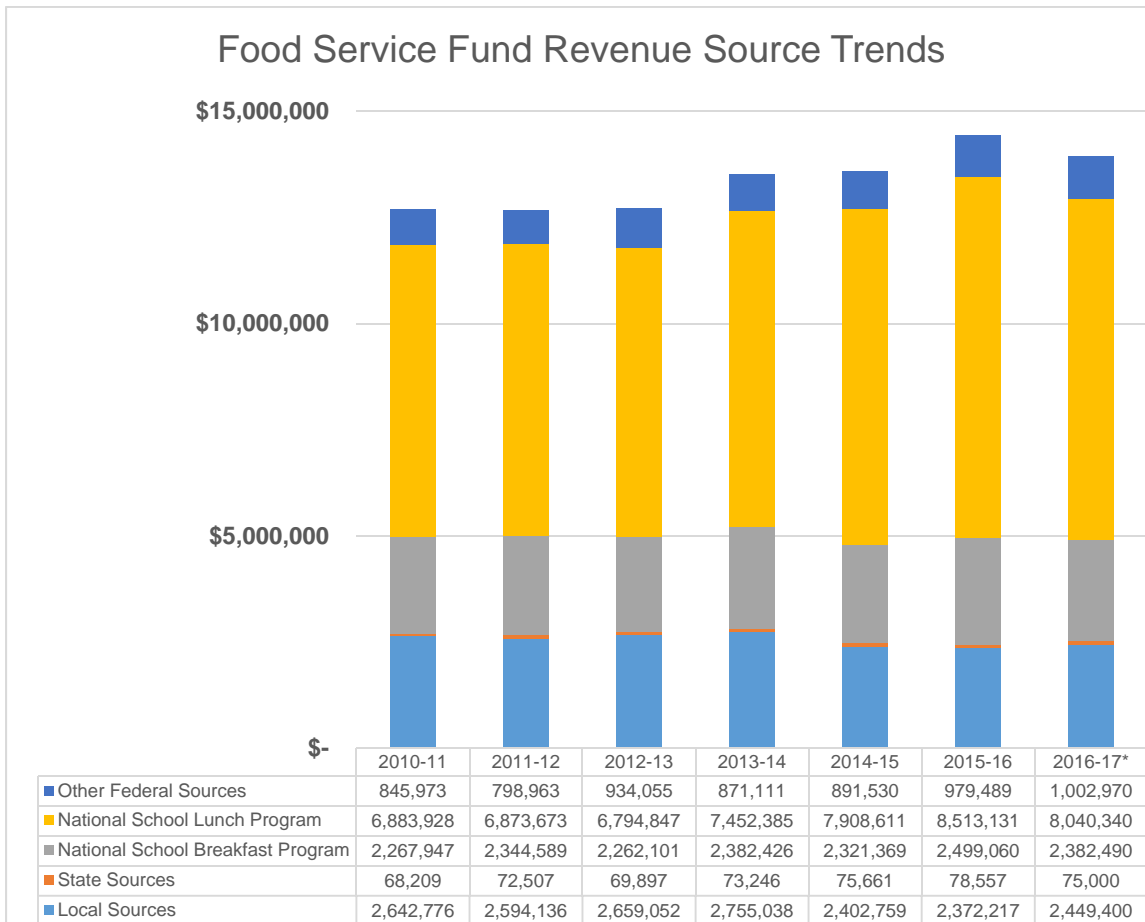
School Breakfast Program			School Lunch Program			After School Snack Program		
Paid	\$	0.29	Paid	\$	0.30	Paid	\$	0.07
Reduced		1.41	Reduced		2.76	Reduced		0.43
Free		1.71	Free		3.16	Free		0.86

Source: United States Department of Agriculture Food and Nutrition Service <http://www.fns.usda.gov/school-meals/rates-reimbursement>

## USDA Commodities

Food service commodity inventory is recorded at fair market value on the date received. Commodities are recognized as revenues in the period received when all the eligibility requirements are met. Commodity inventory items are recorded as expenditures when distributed to user locations. A portion of fund balance is considered non-spendable to reflect minimum inventory quantities considered necessary for the District's continuing operations.

The graph below depicts the district's total Food Service revenue over time.



\*Budget

### Expenditures

Food Service expenditures primarily consist of Payroll and Supplies and Materials. The majority of the supplies and materials' budget consists of expenditures for food.

Food Service Fund expenditures are budgeted to increase \$161,080 or 1.10% over the 2015-16 beginning budget expenditures.

The following table provides a comparison by Major Object for the 2015-16 and 2016-17 beginning budgets.

	<b>Beginning Budget 2015-16</b>	<b>Beginning Budget 2016-17</b>	<b>Percentage change</b>	<b>Percentage of Total</b>
Payroll	\$5,719,815	\$5,794,200	1.30%	39.14%
Purchased Services	358,805	358,000	-0.22%	2.42%
Supplies and Materials	8,000,500	8,152,300	1.90%	55.08%
Other Operating Costs	33,700	34,200	1.48%	0.23%
Capital Outlay	528,000	463,200	-12.27%	3.13%
<b>Total</b>	<b>\$14,640,820</b>	<b>\$14,801,900</b>	<b>1.10%</b>	<b>100.00%</b>

Over 90% of the Food Service expenditures are related to payroll and food costs.

### Fund Balance

The fund balance for Food Service should not exceed three months of average food service operating expenditures. Currently, the fund balance is projected to be \$2,968,242 at August 31, 2017.





## Glossary

This glossary contains definitions of terms used in this guide, definitions of acronyms and abbreviations, and such additional terms as seem necessary to common understandings concerning financial accounting procedures for schools. Several terms, which are not primarily financial accounting terms, have been included because of the significance for school financial accounting. The glossary is arranged alphabetically with appropriate cross-referencing where necessary.

**Accrual Basis of Accounting** - A method of accounting that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows.

**ADA** – Abbreviation of **Average Daily Attendance**. ADA generally means the aggregate number of days of attendance of all students during a school year divided by the number of days school is in session during such school year.

**Ad Valorem Tax** – A tax, as levied by a school district or governmental entity, based on assessed property value.

**ASF** – Abbreviation of **Available School Fund**, from which Texas school districts and charter schools receive payments. The ASF is primarily made up of revenue generated by both the state's fuel tax and the Permanent School Fund. Districts and charter schools receive these "per capita" payments based on prior-year average daily attendance

**Balanced Budget** – A budget where the budgeted revenues equal the budgeted expenditures.

**Basic Allotment** – An amount set by statute, which, after adjusting for district-specific characteristics, is used to calculate the amount of revenue a district will receive from the state's Foundation School Program.

**Bill** – (1) A term used to denote a law or statute passed by certain legislative bodies. A bill has greater legal formality and standing than a resolution. (2) A statement of an amount owing for goods and services sold on open account.

**CAB** – Acronym for **Capital Appreciation Bond**, a municipal security on which the investment return on an initial principal amount is reinvested at a stated compounded rate until maturity.

**CFO** – Abbreviation for **Chief Financial Officer**, the senior manager responsible for overseeing the financial activities.

**CTR** – Abbreviation for **Compressed Tax Rate**. To provide property tax relief, the Texas Legislature established a "compressed" tax rate beginning with the 2006–2007 tax year. Per HB 3646, passed in 2009, for the 2009 tax year and beyond, a district's compressed tax rate (CTR) is its 2005 M&O tax rate multiplied by the state compression percentage, which is 0.6667. To receive funding related to revenue at the compressed tax rate, a district must adopt a tax rate at least equal to its CTR.

**Copper Pennies** – Any cents of tax effort a district assesses above its compressed tax rate (CTR) plus six cents. These pennies are called copper because they generate a lower level of supplemental funding than the golden pennies do. School boards can access copper pennies only after they have levied their six golden pennies and have had a successful tax ratification election (TRE) to raise the M&O tax rate. Copper pennies are subject to recapture.

**Effective Tax Rate** – The M&O tax rate that would provide a school district with approximately the same amount of revenue per WADA it received the year before, on properties taxed in both years. If property values rise, the effective tax rate goes down, and vice versa.

**Encumbrances** - Commitments related to unperformed (executory) contracts for goods or services. For financial reporting purposes, encumbrance accounting is restricted to governmental funds. [NCGA Statement 1]

**ESL** – Abbreviation for **E**nglish as a **S**econd **L**anguage. English as a second language programs are defined as intensive programs of instruction designed to develop student proficiency in English and in content areas using second language methods.

**Estimated Revenue** – When the accounts are kept on an accrual basis, this term designates the amount of revenue estimated to accrue during a given period regardless of whether or not it is all to be collected during the period.

**Expenditures** – This includes total charges incurred, whether paid or unpaid, for current expense, capital outlay, and debt service. (Transfers between funds, encumbrances, and payments of cash in settlement of liabilities already accounted as expenditures are not considered as expenditures)

**Expenses** – Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges, which are presumed to benefit the current fiscal period. Note legal provisions sometimes make it necessary to treat as expenses some charges whose benefits extend over future periods. For example, purchases of materials and supplies which may be used over a period of more than one year and payments for insurance which is to be in force for a period longer than one year frequently must be charged in their entirety to the appropriation of the year in which they are incurred and classified as expenses of that year even though their benefits extend also to other periods.

**Facilities Funding** – State money that has been allocated for school construction and related expenses. The state legislature sets the amount of state funds that can be spent by school districts. Charter schools do not receive facilities funding.

**Fiscal Year** – A twelve-month period of time to which the annual budget applies and at the end of which a local education agency determines its financial position and the results of its operations. Galena Park Independent School District's fiscal year runs from September 1<sup>st</sup> to August 30<sup>th</sup>.

**Food Service** – Those activities which have as their purpose the preparation and serving of regular and incidental meals, lunches, or snacks in connection with school activities.

**FSP** – Abbreviation of **F**oundation **S**chool **P**rogram, the primary source of state funding for Texas school districts. This program ensures that all school districts, regardless of property wealth, receive "substantially equal access to similar revenue per student at similar tax effort."

**Function** – As applied to expenditures, this term has reference to an activity or service aimed at accomplishing a certain purpose or end; for example, Instruction, Instructional Administration, Plant Maintenance and Operations.

**Fund** – A sum of money or other resource set-aside for specific activities of a school district. The fund accounts constitute a complete entity and all of the financial transactions for the particular fund are recorded in them.

**Fund Balance** – The excess of assets of a fund over its liabilities and reserves. During the fiscal year prior to closing, it represents the excess of the fund's assets and estimated revenues for the period over its liabilities, reserves, and appropriations for the period.

**GAAP** - Acronym for **G**enerally **A**ccepted **A**ccounting **P**inciples. GAAP refer to the standard framework of guidelines for financial accounting used in any given jurisdiction; generally known as accounting standards or standard accounting practice.

**General Fund** – A fund used to finance the ordinary operations of the local education agency. It is available for a legally authorized purpose and consists of money not specifically designated for some other particular purpose.

**Golden Pennies** –The first six cents of tax effort a district assesses above its compressed tax rate (CTR). These pennies are called golden because they are the pennies of tax effort for which a district is able to generate the highest level of supplemental funding. School boards may levy the first four golden pennies by a vote of the board but must hold a tax ratification election before raising the tax rate further, including before levying the final two golden pennies. They are not subject to recapture from the State.

**HB1** – Acronym for **H**ouse **B**ill **O**ne, reference to the appropriations bill that changed public school funding, 80th Legislature State of Texas.

**Hold Harmless** – Provisions that promise school districts that they will receive at least as much state funding as they got before legislative changes in school funding formulae would have reduced their funding.

**Instruction** – The activities dealing directly with the teaching of students or improving the quality of teaching.

**I&S** – Abbreviation of **I**nterest & **S**inking, District income from local and personal property taxes that is used for Debt Service. Debt service funds are used to account for money that will be used to pay the interest and principal of long-term debts. Bonds used by a government to

finance major construction projects, to be paid by tax levies over a period of years, require a debt service fund to account for their repayment.

**IMA** – Abbreviation of **I**nstructional **M**aterials **A**llotment. Senate Bill 6 from the 82nd Texas Legislature, First Called Session, 2011, created an instructional materials allotment for the purchase of instructional materials, technological equipment, and technology-related services.

**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. [NCGA Statement 1]

**M&O** – Abbreviation of **M**aintenance & **O**peration, District income from local and personal property taxes that is used for the General Fund.

**National Council on Governmental Accounting (NCGA)** - The immediate predecessor of the GASB as the authoritative accounting and financial reporting standard-setting body for state and local governments. The NCGA issued 7 statements and 11 interpretations prior to its dissolution in June 1984. These statements and interpretations remain effective unless superseded by a subsequent GASB pronouncement.

**Object** – As applied to expenditures, this term has reference to an article or service received; for example, payroll costs, purchased and contracted services, materials, and supplies.

**Payroll** – A list of individual employees entitled to pay, with the amounts due to each for personal services rendered.

**PEIMS** – Acronym for **P**ublic **E**ducation **I**nformation **S**ystem. The Public Education Information System encompasses all data requested and received by the Texas Education Agency about public education, including student demographic and academic performance, personnel, financial, and organizational information.

**Plant Maintenance (Plant Repairs and Repairs and Replacements of Equipment)** – Those activities which are concerned with keeping the grounds, buildings, and equipment at their original condition or completeness or efficiency, either through repairs or by replacements of property (anything less than replacement of a total building).

**Principal of a School** – The administrative head of a school (not school district) to whom has been delegated the major responsibility for the coordination and supervision of the activities of the school.

**Principal of Bonds** – The face value of bonds.

**Program** – The definition of an effort to accomplish a specific objective or objectives consistent with funds or resources available. Budgets and actual revenue and expenditure records may be maintained per program.

**Program Budget** – A budget wherein expenditures are based primarily on programs of work and secondarily on character and object. A program budget is a transitional type of budget between the traditional character and object number, on the one hand, and the performance budget on the other.

**Property Tax** – The property tax is an ad valorem tax. Schools charge and collect property taxes (as do cities, counties and other taxing school districts).

**Property Value** – An estimate of the value of property if it were sold on the open market.

**Recapture** – A mechanism in state funding formulas that ensures that a district's property wealth per student does not exceed certain levels, known as equalized wealth levels. A district that is subject to recapture is often referred to as a Chapter 41 district because the provisions governing recapture are found in the Chapter 41 of the Education Code.

**Refunding Bonds** – Bonds issued to pay off bonds already outstanding.

**Regular Education Allotment** – Under Tier I of the Foundation School Program (FSP), funding is provided to school districts for each student in ADA in the regular education program. Specifically, the Adjusted Basic Allotment (ABA) is multiplied by the number of regular education students to calculate the Regular Education Allotment.

**Robin Hood** – Nickname of the 1993 school funding plan enacted by the Texas State Legislature to provide court-mandated equitable school financing for all school districts in the state. In an effort to equalize the financing of all school districts, the law "recaptured" property tax revenue from property-wealthy school districts and distributed those in property-poor districts. The name is derived from the English folklore character often portrayed as "robbing from the rich and giving to the poor".

**School** – A division of the school system consisting of a group of pupils composed of one or more teachers to give instruction of a defined type, and housed in a school plant of one or more buildings. More than one school may be housed in one school plant, as is the case when the elementary and secondary programs are housed in the same school plant.

**School, Elementary** – A school classified as elementary by State and local practice and composed of any span of grades not above grade six. In this District this term includes kindergartens and pre-kindergartens if they are under the control of the local board of education.

**School, Intermediate** – A separately organized elementary school intermediate between early elementary and middle school.

**School, Middle** – A separately organized secondary school intermediate between elementary, intermediate, and senior high school. In this District middle schools include grades six through eight.

**School, Public** – A school operated by publicly elected or appointed school officials in which the program and activities are under the control of these officials and which is supported by public funds.

**School, Secondary** – In this handbook a secondary school comprises any span of grades beginning with the next grade following the elementary/intermediate school and ending with or below grade 12, including middle schools, the different types of high schools, and alternative high schools.

**School, Senior High** – A school offering the final years of high school work necessary for graduation; invariably preceded by a middle school in the same system.

**School, Summer** – The name applied to the school session carried on during the period between the end of the regular school term and the beginning of the next regular school term.

**Special Revenue Fund** - A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specified purposes.

**State Aid for Education** – Any grant made by a State government for the support of education.

**TASBO** – Acronym for **T**exas **A**ssociation of **S**chool **B**usiness **O**fficials, an independent, not-for-profit professional association dedicated to being the trusted resource for school finance and operations in Texas.

**Target Revenue** – The minimal amount of funding per WADA that is guaranteed for each school district based on its 2006-07 state and local revenue plus additional add-on funding provided to school districts in subsequent years. Target revenue amounts are used as the basis for determining local school district funding, usually over-riding existing more equitable state finance formulae that might produce less than or greater funding per WADA.

**TRE** – Abbreviation of **T**ax **R**atification **E**lection. In 2006, the legislature required school boards to compress their districts' local M&O tax rates by one third, and reset the maximum school district M&O tax rate at \$1.17 and required school districts to seek voter approval for tax rate increase above \$1.04 up to the \$1.17 tax cap. This election is called a tax ratification election.

**Taxes** – Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit. The term includes licenses and permits. It does not include special assessments.

**TEA** – Abbreviation of **T**exas **E**ducation **A**gency, the state agency that oversees primary and secondary public education

**WADA** – Acronym for **W**eighted **A**verage **D**aily **A**ttendance. WADA is a calculated number that represents the number of students for which a district receives funding after adjusting for special needs.

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