Mission Consolidated Independent School District

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Notice and Agenda

The Board of Trustees of the Mission Consolidated Independent School District will hold a **Public Hearing to Discuss the 2024-2025 Budget and Proposed Tax Rate** on **Wednesday, June 19, 2024,** at **6:15 PM** in the **Mission CISD Annex, 925 E. Business HWY. 83, Mission, Tx 78572.** At this meeting, the Board may deliberate or act on any of the subjects listed on the following agenda. The President may change the order of items listed below for the convenience of the Board.

N O T I C E and A G E N D A

1. Public Comment(s) on Specific Agenda Item(s)
2. Presentation(s) to the Board of Trustees
A. 2024– 2025 Budget Presentation
3. Discuss the 2024–2025 Budget and Proposed Tax Rate **2**
4. Adjournment

In accordance with the Texas Open Meetings Act, the Board may enter into a closed meeting to deliberate any item that is listed above that fits within an exception listed in Subchapter D. Any final action, decision, or vote on a subject deliberated in closed meeting will be taken in an open meeting held in compliance with the Texas Open Meetings Act.

This Notice was posted by 1:30 p.m., on June 14, 2024.

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Dr. Cris Valdez, Interim Superintendent of Schools
Mission Consolidated Independent School District

2024 - 2025
Budget and Proposed Tax Rate
Public Hearing

June 19, 2024

Budget and Proposed Tax Rate Public Hearing

- Sections 44.002 through 44.006 of the Texas Education Code establishes the legal basis for the budget development in school districts. The District's budget must be prepared by June 19th. This date is set by the State Board of Education.
- The Board President must call a public hearing of the Board of Trustees, giving ten days public notice in a newspaper, for the adoption of the district's budget.
- Any taxpayer in the district may be present and participate in the public hearing. The budget must be legally adopted by June 30th.

Agenda

Overview of Mission CISD's financial status, covering fiscal years

- 2022-2023
- 2023-2024
- 2024-2025

2022-2023
Last Year

Fiscal Year 2022-2023 Financial Update

Background

- Mission CISD is committed to transparent financial management strategically allocating resources for educational excellence.
- The district's financial health is multifaceted, drawing from sources such as Average Daily Attendance (ADA) for Foundation School Program (FSP) funds, local taxes, federal funds, grants, and prudent investments.
- This comprehensive strategy ensures a diverse and sustainable revenue base supporting its educational commitment.

Strategic Utilization of ESSER Funds

- Mission CISD strategically utilized Elementary and Secondary School Emergency Relief (ESSER) funds during the fiscal year to pay for instructional salaries, freeing up local funds to overcome supply chain challenges that would have impacted capital projects.
- As ESSER II and ESSER III funds reach exhaustion, the District will shift back to local funding sources.

Fiscal Year 2022-2023 Financial Update

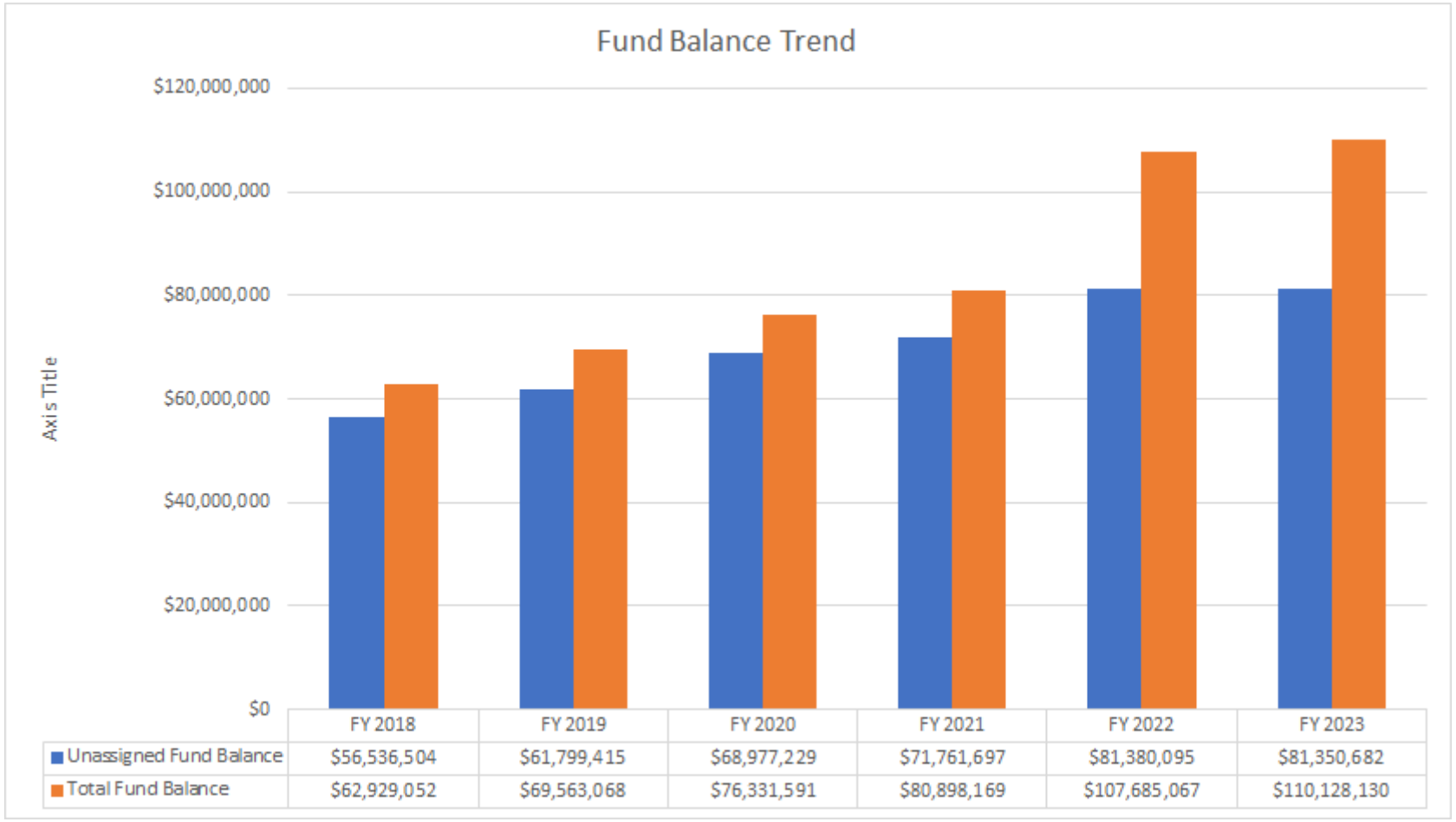
Fiscal Performance

- The District projected State Aid at $110,808,324. As of September 2023, our Near Final Summary of Finance stands at $110,807,892.
- The Annual Comprehensive Financial Report (Year Ended June 30, 2022) reflects a robust fiscal performance.
- The general fund balance increased by $2,443,063, reaching $110,128,130. Of this, approximately 74% ($81,350,682) is unassigned, providing flexibility for strategic spending.
- Additionally, $18,375,949 is earmarked in the committed fund balance for crucial construction projects.

Summary

- Mission CISD's 2022–2023 budget showcased resilience amid challenges, with a keen focus on maintaining educational standards.
- The alignment of the 2023 projected state aid budget with the near-final summary of finance affirms the District’s commitment to accurate financial projections and responsible resource allocation.

Fiscal Year 2022-2023 Financial Update



	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Unassigned Fund Balance	$56,536,504	$61,799,415	$68,977,229	$71,761,697	$81,380,095	$81,350,682
Total Fund Balance	$62,929,052	$69,563,068	$76,331,591	$80,898,169	$107,685,067	$110,128,130

The ESSER Years: From FY 2020 to FY 2023, the fund balance increased by $33,796,539.

Fiscal Year 2022-2023 Financial Update

- **Non-Spendable Fund Balance:** includes amounts that cannot be spent because they are either not in spendable form or are legally contractually required to be maintained intact.
- **Restricted Fund Balance:** is either imposed by law or by creditors, grantors, contributors, or other government laws or regulations.
- **Committed Fund Balance:** is a result of school board approval requiring funds to be used only for specific purposes.
- **Unassigned Fund Balance** – is available for spending, also known as the District's rainy day fund.

CATEGORY	Fiscal Year 2022-2023
Non-Spendable	$2,537,507
Restricted Fund Balances	$7,863,992
Committed Fund Balances	$18,375,949
Unassigned Fund Balance	$81,350,682
	9
Total Fund Balance	**$110,128,130**

Fiscal Year 2022-2023 Financial Update

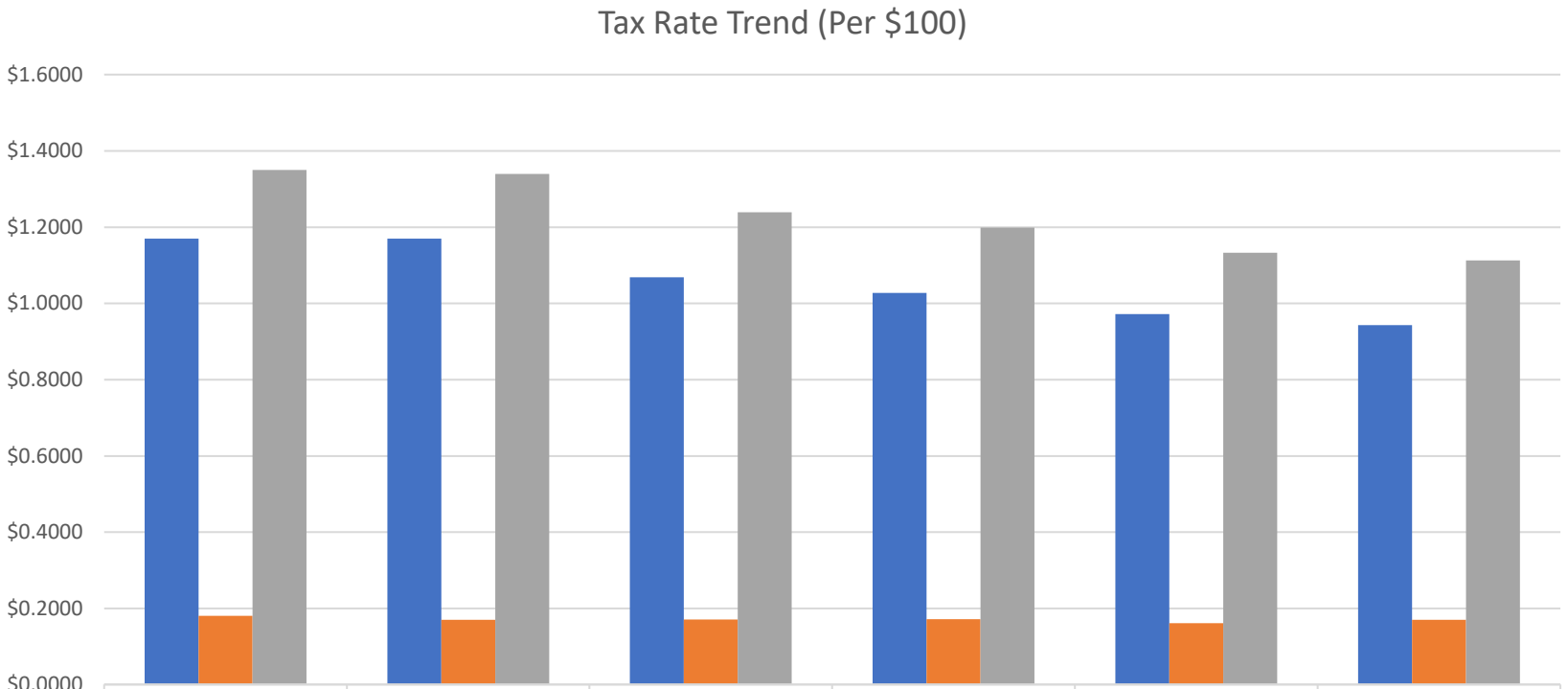
Unassigned Fund Balance

- Also known as our district’s "rainy day fund," this balance is crucial for our financial flexibility. It allows the District to respond effectively to unexpected challenges and opportunities. Maintaining a robust unassigned fund balance is vital for the District's financial health, providing a buffer that supports continuity of operations, thereby safeguarding educational commitments against economic fluctuations.

Fiscal Year 2022-2023		
Unassigned Fund Balance	**Total**	**Percent of Fund Balance**
3-Month Operating Expenditures	$45,618,099	56.1%
Unassigned	$35,732,583	43.9%
Total	**$81,350,682**	**100%**

Fiscal Year 2022-2023 Financial Update

Mission CISD has reduced its tax rate by 0.2372 cents from 2018-2023, demonstrating its commitment to fiscal efficiency.



	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
M&O	$1.1700	$1.1700	$1.0683	$1.0280	$0.9719	$0.9429
I&S	$0.1802	$0.1698	$0.1712	$0.1713	$0.1613	$0.1701
Total	$1.3502	$1.3398	$1.2395	$1.1993	$1.1332	$1.1130

2023-2024
Current Year

Disclaimer

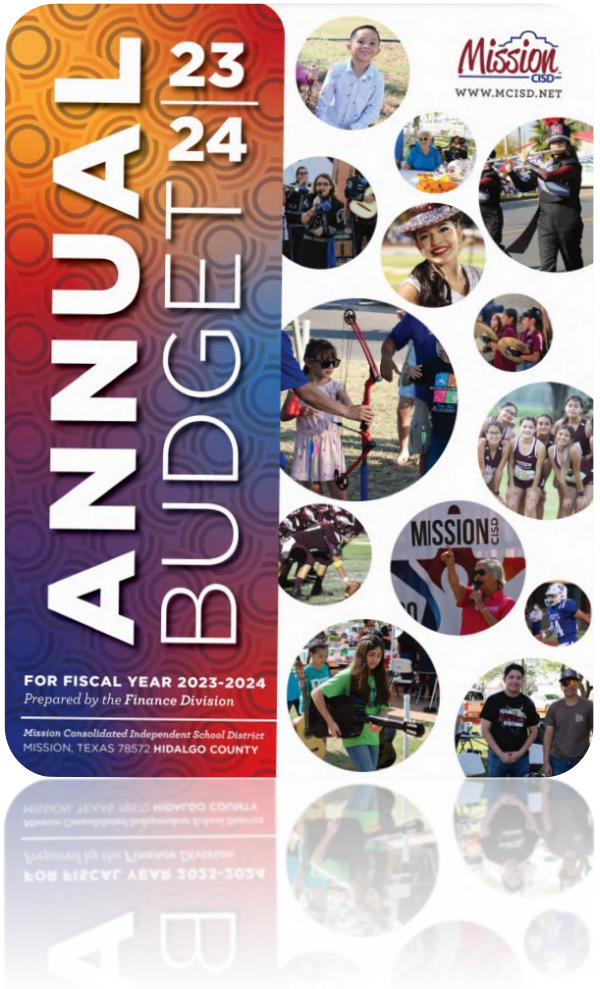
All estimates are preliminary and subject to change as information becomes available.

Fiscal Year 2023-2024 Financial Update

Balanced Budget

For the fifth consecutive year, the board approved a balanced budget. The Superintendent ensures prudent expenditure of funds.

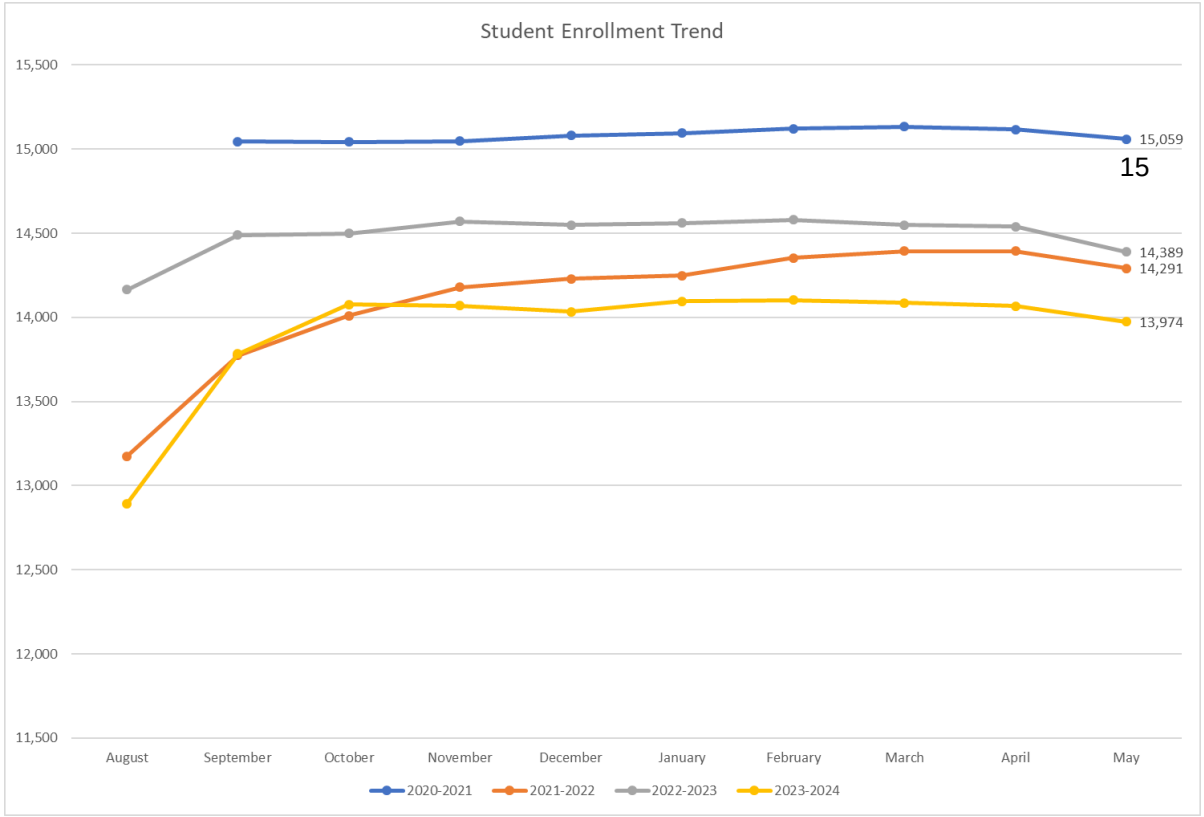
The District earned the Meritorious Budget Award for the 2023-2024 Annual Budget Book.



Fiscal Year 2023-2024 Financial Update

Enrollment Report

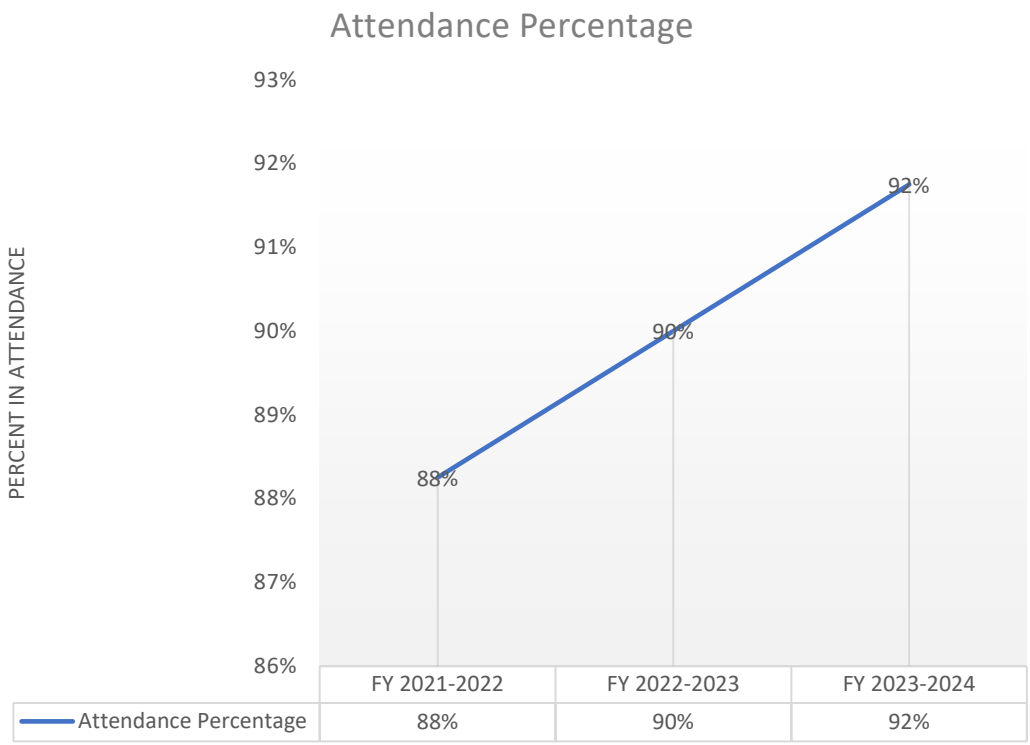
- Enrollment:
  - Student enrollment across the state has trended lower in recent years; our district enrollment has decreased by 1,085 since May 2021.
- Factors Contributing to Decline:
  - Lower birth rates, economic conditions, pandemic effects, and increased competition influence lower enrollment.
- Strategic Insight:
  - Understanding these trends enables proactive resource allocation, challenge resolution, and optimization of educational offerings for adaptability.



Fiscal Year 2023-2024 Financial Update

Attendance Report

- The District actively works on attendance through its Campus Attendance Team and Attendance Resource Officers, and they use tools such as School Messenger, Daily Reports, and Live Dashboards.
- Our student attendance percentage has risen by 4 points, signaling a positive trend towards normalcy post-COVID.



Fiscal Year 2023-2024 Financial Update

Revenue - M&O State Aid

Funding Elements	2022-23 SOF Run #41495	2023-24 Data Entry
Student Counts: 21-22 student counts are auto-loaded from a file obtained from TEA.		
Refined ADA	12,463.7300	12,832.098
# of Campuses in District		0
Special Education Instructional Arrangement FTEs:		
Homebound (Code 01)	2.0520	2.630
Hospital Class (Code 02)	0.0000	0.000
Speech Therapy (Code 00)	18.4880	23.759
Resource Room (Code 41,42)	282.7950	248.307
SIC Mild/Mod/Severe (Code 43, 44, & 45)	121.0490	119.048
Off Home Campus (Codes 91-98)	0.1520	4.047
VAC (Code 08)	22.4240	18.362
State Schools (Code 30)	0.0000	0.000
Nonpublic Contracts	0.0000	0.000
Res Care & Treatment (Code 81-89)	0.0000	0.000
Mainstream ADA	244.1310	327.947
FTEs of Pregnant Students	0.2190	0.330
Career & Technology FTEs Grades 7-12 Not in Approved Program of Study	2.5890	2.589
Career & Technology FTEs Grades 7-12, Levels 1& 2 in Approved Program of Study	919.0900	919.090
Career & Technology FTEs Grades 7-12, Levels 3 & 4 in Approved Program of Study	374.2620	374.262
# Students Enrolled in P-TECH campus	0.0000	0.000
# Students Enrolled in campus that is a member of the New Tech Network	0.0000	0.000
Bilingual ADA - see instructions in Column N	2,860.2300	2,666.776
Bilingual ADA - Dual Language Immersion Students (1-way or 2-way)	1,852.6400	1,918.673
Bilingual ADA - Non-LEP Dual Language Students (2-way)	38.8840	80.231
G & T Enrollment	1,754	1,634
Early Education ADA	4,130.1500	4,706.229
Public Ed Grant (PEG) Student ADA	0.0000	0.000
New Instructional Facility Allotment (NIFA) ADA	0.0000	0.000
ADA of Students in Dropout Recovery School and Residential Placement Facility	0.0000	0.000
SCE_Residential Placement Facility - Not Ed Disadvantaged Students	0.0000	0.000
Residential Placement Facility - Ed Disadvantaged Students (TEA includes these in Block 5)		
Ed Disadvantaged Students Living in Eco Disadvantaged Census Block 1	3,098	3,090
Ed Disadvantaged Students Living in Eco Disadvantaged Census Block 2	871	867
Ed Disadvantaged Students Living in Eco Disadvantaged Census Block 3	2,235	2,228
Ed Disadvantaged Students Living in Eco Disadvantaged Census Block 4	3,839	3,827
Ed Disadvantaged Students Living in Eco Disadvantaged Census Block 5	2,491	2,481
# of Homeless Children or Youth as defined by 42 U.S.C. Section 11434a (TEA includes these in Block 5)		
Career, College, or Military Readiness - Educationally Disadvantaged Graduates	102	102
Career, College, or Military Readiness - Non-Educationally Disadvantaged Graduates	18	18
Career, College, or Military Readiness - Special Ed. Graduates	6	6
Dyslexia Enrollment (enter the sum of PIC 37 & PIC 43 shown on TEA's Tier I Detail Report)	836	836
		2023 TAX YEAR
Property Values		PRELIMINARY
State Certified Property Value ("T2" value) @ $100K Exemption		2,824,874,749
State Certified Property Value ("T8" value) @ $100K Exemption		2,824,874,749
State Certified Property Value ("T1" value) @ $100K Exemption		3,327,116,900
State Certified Property Value ("T7" value) @ $100K Exemption		3,327,116,900
State Certified Property Value ("T13" value) @ $100K Exemption		3,492,341,900
State Certified Property Value ("T14" value) @ $100K Exemption		3,492,341,900
State Certified Property Value ("T16" value) @ $100K Exemption		3,602,491,900
State Certified Property Value ("T17" value) @ $100K Exemption		2,890,838,181

Every six weeks, the Finance Department updates the State Aid Template to estimate revenue.

- We utilize the latest state aid template (released on April 22, 2024), which incorporates the 2023 Preliminary Property Values.
- For 1st Six Weeks – 5th Six Weeks:
  - The Average Daily Attendance is 12,832.
  - The Projected M&O State Aid (5811/5812) inclusive of VATRE, stands at $126,500,246

State Aid by Fund Code / Object Code - Funding Source			
M&O State Aid			
47.	199/5812 - Foundation School Fund		$121,329,244
48.	199/5811 - Available School Fund		$5,171,002

Fiscal Year 2023-2024 Financial Update

2023-2024 Tax Rate

- The District reallocated pennies previously set for loss to compression to the Interest and Sinking (I&S) tax rate by adopting the Defeasance resolution.
- The successful Voter-Approval Tax Ratification Election (VATRE) allowed the District to transfer .0317 pennies from I&S to the Maintenance and Operations (M&O) tax rate, resulting in an extra $2.7 million for instruction and compensation.
- The Total Tax Rate stands at $1.1130, consistent with the last year's rate.
  - M&O is at $0.7892.
  - I&S is at $0.3238.
- Additionally, the homestead exemption increased from $40k to $100k.

Impact to Home Owners

	2022-2023	2023-2024
M&O Tax Rate	$0.94	$0.79
I&S Tax Rate	$0.17	$0.32
Total Tax Rate	**$1.11**	**$1.11**
Average Market Value of Residence	$138,653	$158,095
Less: Homestead Exemption	***($40,000)***	***($100,000)***
Average Taxable Value of Residence	$98,653	$58,095
Total Tax Rate	$1.11	$1.11
Taxes Due on Average Residence	$1,098	$647
Property Tax Savings		**$451**

Fiscal Year 2023-2024 Financial Update

Revenue - Tax Collections

Tax Collections as of April 30, 2024

Maintenance and Operations

- Budget: $20,801,507
- Collected YTD: $20,290,797 or 98%

Interest and Sinking

- Budget: $8,534,627
- Collected YTD: $8,325,101 or 98%



Fiscal Year 2023-2024 Financial Update

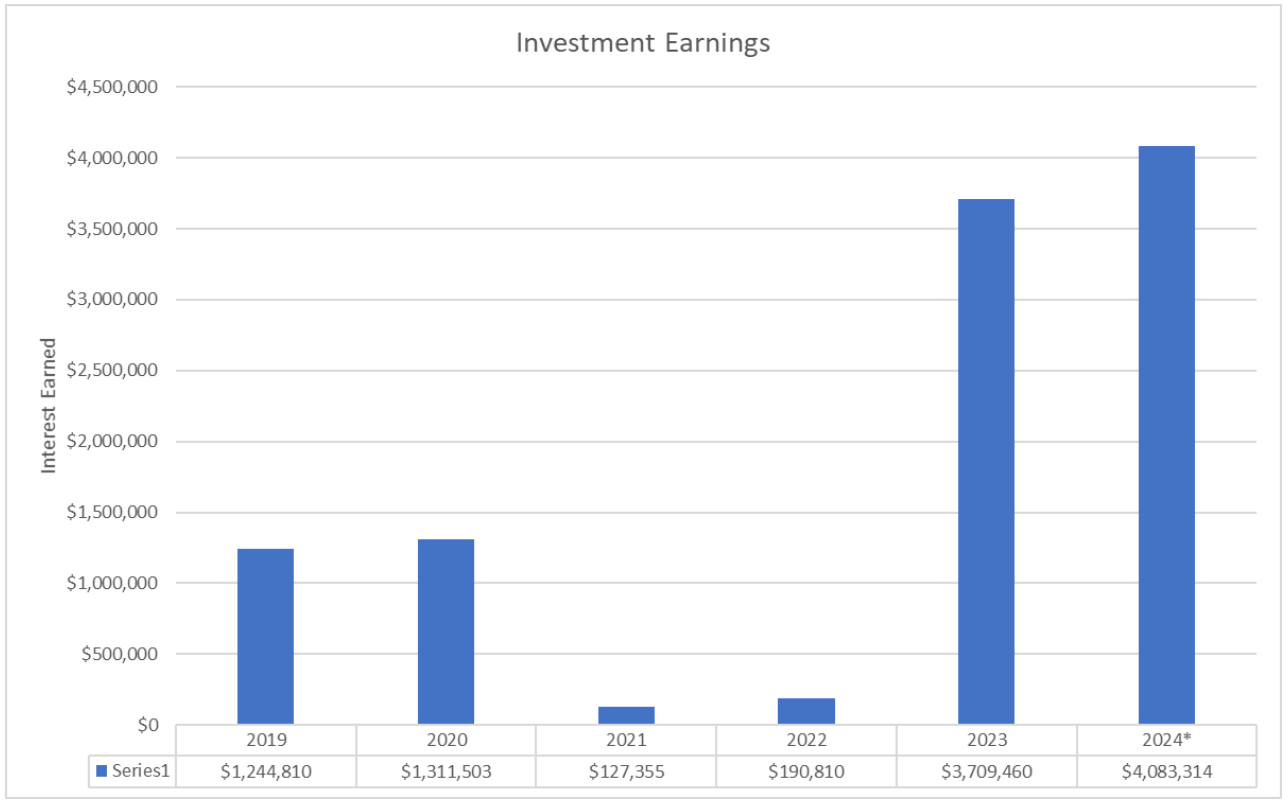
Revenue – Grants: 2022-2023

2022-2023 Grants	Total
School Safety Standards Formula Grant:	$ 654,613
Emergency Connectivity Fund Program:	$ 395,011
ARP Homeless II Federal Grant:	$ 258,656
COVID-19 Public Health Workforce Supplemental Funding Grant (Region One):	$ 102,700
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (Hidalgo County):	$ 60,000
Silent Panic Alert Technology (SPAT) Grant:	$ 43,808
COVID-19 School Health Support Grant, Cycle 2:	$ 22,985
Dyslexia Funding Support Grant:	$ 12,600
CEAL Grant (UTRGV):	$ 8,000
Total	**$ 1,558,373**

Revenue – Grants: 2023-2024

2023-2024 Grants	Total
2023-2025 Safety and Facilities Enhancement Grant (SAFE) Cycle 1	$ 4,768,497
2023-2025 Safety and Facilities Enhancement Grant (SAFE) Cycle 2	$ 420,602
Stronger Connections Grant	$ 1,260,000
Strong Foundations	$ 250,000
Learning Acceleration Support Opportunities - Cycle 2	$ 150,000
Project Fit America - Pearson Elementary	$ 18,206
Total	**$ 6,867,305**

Fiscal Year 2023-2024 Financial Update



- **Interest Earned in April:** $459,692

*Through 4/30/2024

Fiscal Year 2023-2024 Financial Update

Historical Rates Monthly Distribution Yields[2]

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
January	0.04%	0.07%	0.35%	0.58%	1.34%	2.40%	1.61%	0.07%	0.02%	4.36%	5.36%
February	0.04%	0.08%	0.39%	0.59%	1.40%	2.40%	1.58%	0.05%	0.02%	4.57%	5.32%
March	0.04%	0.09%	0.41%	0.66%	1.50%	2.41%	1.20%	0.05%	0.14%	4.70%	5.31%
April	0.04%	0.09%	0.42%	0.75%	1.65%	2.42%	0.83%	0.05%	0.30%	4.86%	5.30%
May	0.04%	0.09%	0.43%	0.76%	1.75%	2.41%	0.41%	0.04%	0.68%	5.04%	
June	0.04%	0.09%	0.44%	0.85%	1.85%	2.41%	0.24%	0.03%	1.00%	5.11%	
July	0.05%	0.10%	0.45%	0.96%	1.96%	2.38%	0.22%	0.02%	1.49%	5.15%	
August	0.06%	0.11%	0.47%	1.00%	1.99%	2.21%	0.16%	0.02%	2.11%	5.33%	
September	0.06%	0.13%	0.50%	1.03%	2.03%	2.15%	0.14%	0.02%	2.43%	5.35%	
October	0.06%	0.15%	0.47%	1.05%	2.15%	1.97%	0.12%	0.02%	3.04%	5.35%	
November	0.06%	0.15%	0.45%	1.09%	2.21%	1.74%	0.10%	0.02%	3.65%	5.37%	
December	0.07%	0.23%	0.50%	1.21%	2.32%	1.66%	0.09%	0.02%	4.13%	5.38%	

Source: Texas Term Local Government Investment Pool

Fiscal Year 2023-2024 Financial Update

Expenditure – Compensation Plan

- Last June, the Board of Trustees approved a comprehensive employee compensation package. This included a 3% salary increase for all professional and administrative staff, a 3.5% raise for auxiliary, clerical/technical, and instructional para-professionals calculated from the midpoint, a 20% boost in employer contributions to the health insurance plan, and a $1,000 employee retention stipend.
- In addition to these measures, the Board approved a $500 retention stipend, coinciding with the successful passage of the Voter-Approval Tax Ratification Election (VATRE).
- This structured and thoughtful compensation plan reflected the Board's commitment to creating a competitive and supportive work environment.



Fiscal Year 2023-2024 Financial Update

Capital Outlay - Completed

Project	Status
Annex Parking Lot	Completed
Assessment - MHS - Chiller	Completed
Assessment at Annex Parking Lot	Completed
Assessment at MCHS Limited Indoor Mold	Completed
Assessment HVAC at AMJH	Completed
Assessment HVAC at MCHS/Poss. Indoor Quality	Completed
Assessment JOCS	Completed
Barbering at MHS Assessment project on hold	Completed
Baseball & Softball Netting @MHS & VMHS	Completed
CNP - Tumbler/overview of project only/electrical re-equipment's	Completed
CNP freezer installation at elem. campuses (Bryan)	Completed
CNP freezer installation at elem. campuses (Marcell)	Completed
CNP freezer installation at elem. campuses (Salinas)	Completed
CNP freezer repair/ replacement	Completed
Const. of Add. Animal Pens for Ag. Science Barns	Completed
Culinary Arts Laboratory at MHS	Completed
Culinary Arts Laboratory at VMHS	Completed
Demo. of old Agricultural Science Barns	Completed
Demo. of Roosevelt Alternative Auditorium	Completed
Demolition of Tech./ Radio Tower	Completed
District Property Clean up & Demo. 4 mile line & Stewart Road	Completed
FARMERS/ Citrus Horticulture Lab - Portable - Parking Lot	Completed
Field events(Long Jumps) for the AMJH - middle schools	Completed
Field events(Long Jumps) for the KWJH - middle schools	Completed
Field events(Long Jumps) for the MJH - middle schools	Completed
Field events(Long Jumps) for the RCJH - middle schools	Completed
Fueling Brains - Maintenance Project	Completed
Lee Field House Reroofing & Main Field House Storm Repairs	Completed
Maintenance Whse. Roof	Completed
MCHS PE Pavilion	Completed
MCISD- Aquatic Boiler	Completed
MEP Eng. Services for Back-Up Chiller	Completed
MEP Eng. Services for CNP Chillers	Completed
MHS Special Education +18 Program and Head Start Program Portables Canopies	Completed

Project	Status
Mims Marquee	Completed
Playground for Elementary - Alton Elem.	Completed
Playground for Elementary - Bryan Elem.	Completed
Playground for Elementary - Cantu Elem.	Completed
Playground for Elementary - Castro Elem.	Completed
Playground for Elementary - Leal Elem.	Completed
Playground for Elementary - Marcell Elem.	Completed
Playground for Elementary - Mims Elem.	Completed
Playground for Elementary - O'Grady Elem.	Completed
Playground for Elementary - Pearson Elem.	Completed
Playground for Elementary - Salinas Elem.	Completed
Playground for Elementary - Waitz Elem.	Completed
Replacement of the Turf for the MHS -TLS	Completed
Replacement of the Turf for the VMHS	Completed
Re-surface or new basketball area - Roosevelt DAEP	Completed
Scoreboard installation at KWJH	Completed
Scoreboard installation at RCJH	Completed
Security Vestibules-AMJH	Completed
Security Vestibules-Bryan Elem.	Completed
Security Vestibules-Castro Elem.	Completed
Security Vestibules-Cavazos Elem.	Completed
Security Vestibules-KWJH	Completed
Security Vestibules-Midkiff Elem.	Completed
Security Vestibules-Pearson	Completed
Security Vestibules-Roosevelt Alt.	Completed
Skills Center Building (behind) Castro Elem. - Remediation Assessment	Completed
Skills Center Building (behind) Castro Elem. Remediation	Completed
Synthetic Turf for Baseball Fields for MHS	Completed
Synthetic Turf for Baseball Fields for VMHS	Completed
Synthetic Turf for Softball Fields for MHS	Completed
Synthetic Turf for Softball Fields for VMHS	Completed
Tom Landry Stadium - Visitors	Completed
Tom Landry Stadium Repairs - Home	Completed
VMHS Dining	Completed
Waitz Elementary sidewalks	Completed

Fiscal Year 2023-2024 Financial Update

Capital Outlay - In Progress

Project	Status
Batting Cage & Discus Assessment	In-Progress
Canopy at O'Grady Sp. Education Area	In-Progress
Canopy at VMHS Food Truck Area	In-Progress
District-wide Roofing Repair - Central Office and Annex	In-Progress
District-wide Roofing Repair	In-Progress
FARMERS/ Transportation HUB	In-Progress
Indoor Air Quality AMJH	In-Progress
Indoor Air Quality Bryan Elem.	In-Progress
Indoor Air Quality Cavazos Elem.	In-Progress
Indoor Air Quality Midkiff Elem.	In-Progress
Indoor Air Quality Salinas Elem.	In-Progress
Jose “Joe” Correa Jr. Agricultural Science Lab Construction Project Screen & Electrical	In-Progress
KWJH Marquee	In-Progress
KWJH power distribution transformer/ switchgear repair	In-Progress
Leo Najo Baseball Field Concrete	In-Progress
Annex for Network Operations Center (NOC) & Emergency Generator	In-Progress
Safety & Facilities Enhancement	In-Progress
Security Vestibules-Salinas Elem.	In-Progress
TEA Mandate Districtwide Fencing & Window Screen Film	In-Progress

Fiscal Year 2023-2024 Financial Update

Expenditure – Debt Service

Most school districts in Texas carry debt from bond elections because that's how they fund construction of new schools, construction to renovate older campuses, replacement of expensive life-cycle systems, and additional capital projects.

As of June 30, 2023, the total value of Mission CISD's General Obligation Bonds is $86,054,960.

The Fiscal Year 2024 Annual Obligation was $8,456,047.

Strategic Planning

- Via the Defeasance resolution, the District moved pennies earmarked for compression to the Interest and Sinking (I&S) tax rate.
- This strategic use of I&S tax collections accelerates debt repayment, saving tax payers money on interest.
  - 2024 Cash Defeasance
  - Net Present Value Savings: $1,167,293
- Also, the District will use I&S tax collections to build capacity for a possible future "No Tax Increase" bond, to ensure the upkeep of top-tier facilities.

Fiscal Year 2023-2024 Financial Update

Budget Monitoring - State Compliance

- The Finance Department meets with Program Directors every six weeks to review their program data and updated projected revenue for their programs.
- For state compliance, the Special Programs need to spend at least 55% of their allotment.

Monitoring Tool

- The District developed and continues to refine a tool to determine expenditure compliance for state programs. The tool compares projected revenue to current-year expenditures, indicating if the District is on track to pass the 55% compliance test.

Current Year - State ▾ Export to Excel

Special Program	Expected Revenues Based On ADA	55% of Expected Revenues	Revised Budget	YTD Expenditures	YTD Monthly Average Expenditures	End of Fiscal Year Projection	Projected Over/Under	Met Compliance	Details	Edit
22 - CAREER & TECHNICAL	$10,345,306.00	$5,689,918.30	$9,768,285.00	**$7,431,571.80**	$743,157.18	$8,174,728.98	$2,484,810.68	☑	ⓘ	✎
23 - SPECIAL EDUCATION	$10,545,299.00	$5,799,914.45	$18,108,729.00	**$13,618,380.04**	$1,361,838.00	$14,980,218.04	$9,180,303.59	☑	ⓘ	✎
24 - ACCELERATED EDUCATION (24, 28, 30, and 34)	$19,442,109.00	$10,693,159.95	$10,894,545.00	**$8,229,980.02**	$822,998.00	$9,052,978.02	($1,640,181.93)	☐	ⓘ	✎
25 - BILINGUAL ACCELERATED ED	$3,267,103.00	$1,796,906.65	$1,759,540.00	**$1,463,406.85**	$146,340.69	$1,609,747.54	($187,159.11)	☐	ⓘ	✎

*Through 5/31/2024

Fiscal Year 2023-2024 Financial Update

Budget Monitoring - Federal Compliance

- ESSA LEA MOE Calculation mandates local educational agencies (LEAs) to uphold state and local expenditures at a set level from one fiscal year to the next.
- The District designed the 2023-2024 Budget to meet compliance and actively monitors expenditure data to ensure we stay on track.

Monitoring Tool

- The District also developed and continues to refine a tool to determine expenditures for federal compliance. The tool compares current-year state and local expenditures to previous year state and local expenditures.

ESSA LEA MOE | Comparison Year: 2023 | Determination Year: 2024 | Export to Excel | Settings

Line #	Function	Function Description	Comparison Year Expenditures	90% of Comparison Year Expenditures	Determination Year Expenditures	Diff. Between Determination Year and Minimum Needed	Met Compliance
01	11	INSTRUCTION	$77,647,602.38		$75,252,591.74		
02	12	INSTRUCTIONAL RESOURCE & MEDIA	$2,412,049.71		$1,963,035.49		
03	13	CURRICULUM & INSTRUCT STAFF DV	$2,331,761.13		$1,931,871.74		
04	21	INSTRUCTIONAL LEADERSHIP	$2,581,930.87		$2,475,236.71		
05	23	SCHOOL LEADERSHIP	$9,754,358.91		$8,541,407.41		
06	31	GUIDANCE COUNSELING & EVAL SVC	$6,300,730.75		$5,420,946.38		
07	32	SOCIAL WORK SERVICES	$443,356.55		$277,622.87		
08	33	HEALTH SERVICES	$1,721,443.78		$1,459,147.80		
09	34	STUDENT (PUPIL) TRANSPORTATION	$5,086,098.95		$5,482,112.87		
10	35	FOOD SERVICE	$14,439,244.99		$15,014,611.36		
11	36	EXTRACURRICULAR ACTIVITIES	$8,197,908.85		$6,789,166.56		
12	41	GENERAL ADMINISTRATION	$6,259,738.67		$5,728,583.42		
13	51	FACILITIES MAINTENANCE & OPS	$22,526,465.49		$19,609,688.80		
14	53	DATA PROCESSING SERVICES	$2,945,420.18		$2,876,193.62		
15	71	DEBT SERVICE	$315,558.96		$291,543.47		
16		**TOTAL OPERATING EXPENDITURES (ADD 01-15)**	**$162,963,670.17**	$146,667,303.15	**$153,113,760.24**	$6,446,457.09	☑
17		REFINED AVERAGE DAILY ATTENDANCE (RADA)	12,463.69		12,103.00		
18		**TOTAL OPERATING EXPENDITURES PER PUPIL (REFINED ADA) (16 ÷ 17)**	**$13,075.07**	$11,767.57	**$12,650.89**	$883.33	☑
19		MEMBERSHIP	-		-		
20		**TOTAL OPERATING EXPENDITURES PER PUPIL (MEMBERSHIP) (16 ÷ 19)**	-	-	-	-	☐
21		ENROLLMENT	14,502		14,046		
22		**TOTAL OPERATING EXPENDITURES PER PUPIL (ENROLLMENT) (16 ÷ 21)**	**$11,237.32**	$10,113.59	**$10,900.88**	$787.29	☑

Fiscal Year 2023-2024 Financial Update

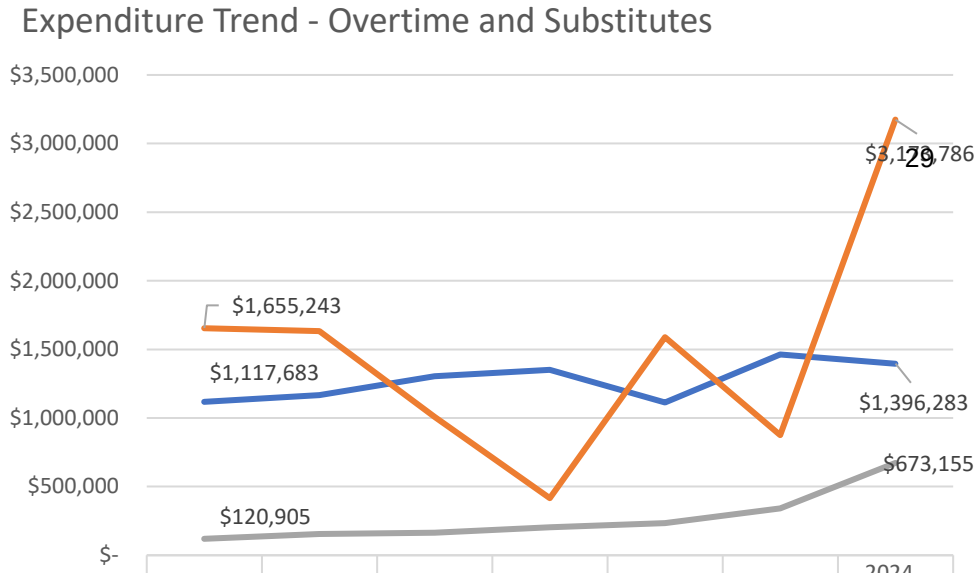
Expenditure Trend Analysis - Overtime and Substitutes

Over the past seven years, the school district's expenditure trends indicate a notable increase in specific areas. We are currently trending toward ending the fiscal year with the following increases:

- Overtime expenditure has seen an increase of 25%.
- Spending on Substitute Teachers has grown significantly by 92%.
- Costs associated with Substitutes for Support Staff have surged by 457%.

To manage and mitigate these rising expenses, we will implement stringent monitoring and cost-control measures. Our strategies will include:

- Optimizing staffing schedules to reduce overtime.
- Promoting teacher and staff health and well-being to minimize the need for substitutes.
- These actions aim to achieve a more sustainable financial trajectory for our school district.

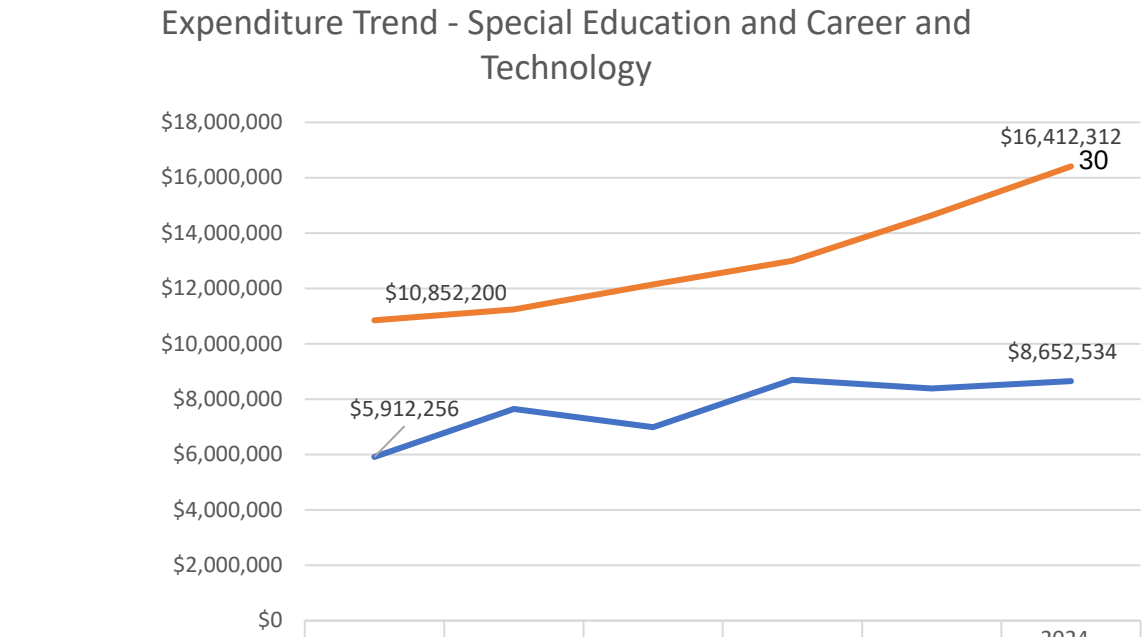


	2018	2019	2020	2021	2022	2023	2024 - Projected
Overtime Extra Duty	$1,117,683	$1,166,359	$1,303,806	$1,350,332	$1,112,582	$1,461,880	$1,396,283
Subs Teachers & Other Prof	$1,655,243	$1,632,241	$1,008,093	$415,709	$1,588,273	$875,527	$3,173,786
Substitutes for Support Staff	$120,905	$153,790	$163,465	$203,568	$233,628	$342,388	$673,155

Fiscal Year 2023-2024 Financial Update

Expenditure Trend Analysis – Special Education and Career and Technology

- In the last five years, our district's spending on Special Education has risen by 51.23%, and Career and Technology Education expenditures have increased by 46.35%.
- To address these surges, we are working with Moak Casey on staffing. We will also work with a Special Education consultant to help ensure we are positioned correctly for IDEA-B.
- These measures target a balanced and sustainable financial path forward.



	2019	2020	2021	2022	2023	2024 - Projected
Career and Technology	$5,912,256	$7,644,672	$6,990,377	$8,693,945	$8,387,625	$8,652,534
Special Education	$10,852,200	$11,239,545	$12,142,757	$12,995,549	$14,644,529	$16,412,312

Fiscal Year 2023-2024 Financial Update

2023-2024 Financial Outlook:

- We closely monitored expenditures in overtime, substitutes, and utilities, and continue to oversee School Health and Related Services (SHARS). Despite these factors, we expect to end the fiscal year without a budget deficit if Average Daily Attendance stays at 12,832. We will finalize attendance data by June 5th.

- We anticipate a final functional budget amendment, as done annually, to ensure no deficits in any function. The fund balance will remain untouched.

2024-2025 Budget
Next Year

Disclaimer

All estimates are preliminary and subject to change as information becomes available.

Goals

Goals for 2024-2025 Budget Planning

- **Academic Success:** Ensure students excel academically with a college and career-ready curriculum and maintain effective instructional programs.
- **Community Engagement:** Strengthen stakeholder support through family and community involvement, focusing on retaining skilled staff.
- **Operational Efficiency:** Improve district facilities for safety and technological integration, specifically enhancing HVAC systems.
- **Personnel Excellence:** Foster a high-quality workforce by enhancing employee compensation and insurance benefits to recruit, develop, and retain top talent.

Fiscal Year 2024-2025 Financial Update

June

- Review Proposed Budget with Interim Superintendent
- Seventh Budget Board Workshop
- Budget and Tax Rate Public Hearing
- Budget Adoption

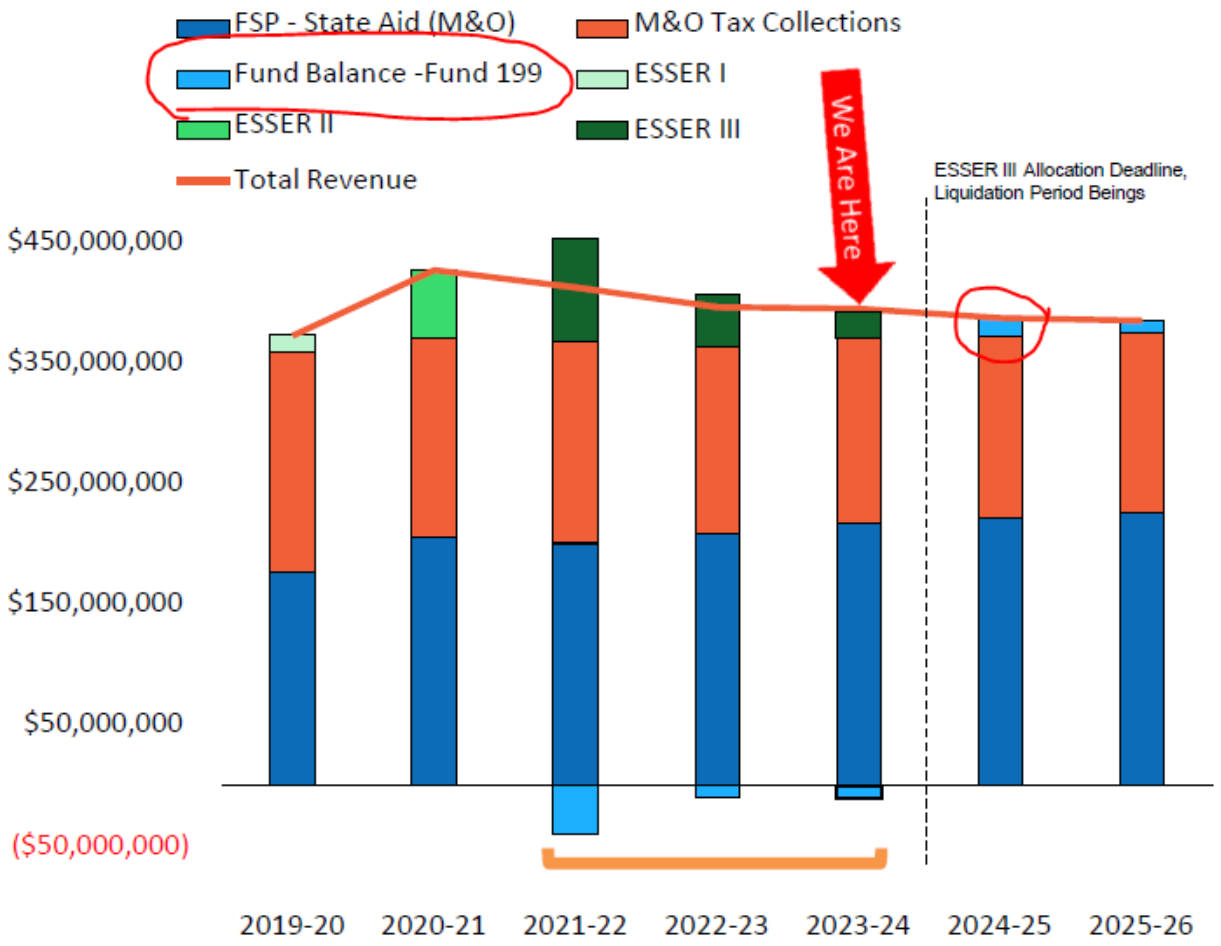
Fiscal Year 2024-2025 Financial Update

Avoiding the ESSER Fiscal Cliff

To prepare for the anticipated cessation of ESSER funding in the 2024-2025 school year and to address the possibility of an unbalanced budget, our district has implemented the following strategic actions:

- **Fiscal Prudence:** We have taken measures to save funds to our fund balance, ensuring we have a financial cushion to mitigate any potential budget shortfalls.
  - The following slide will present information from TEA demonstrating our savings through ESSER fund usage, which will help “level off the funding cliff”.

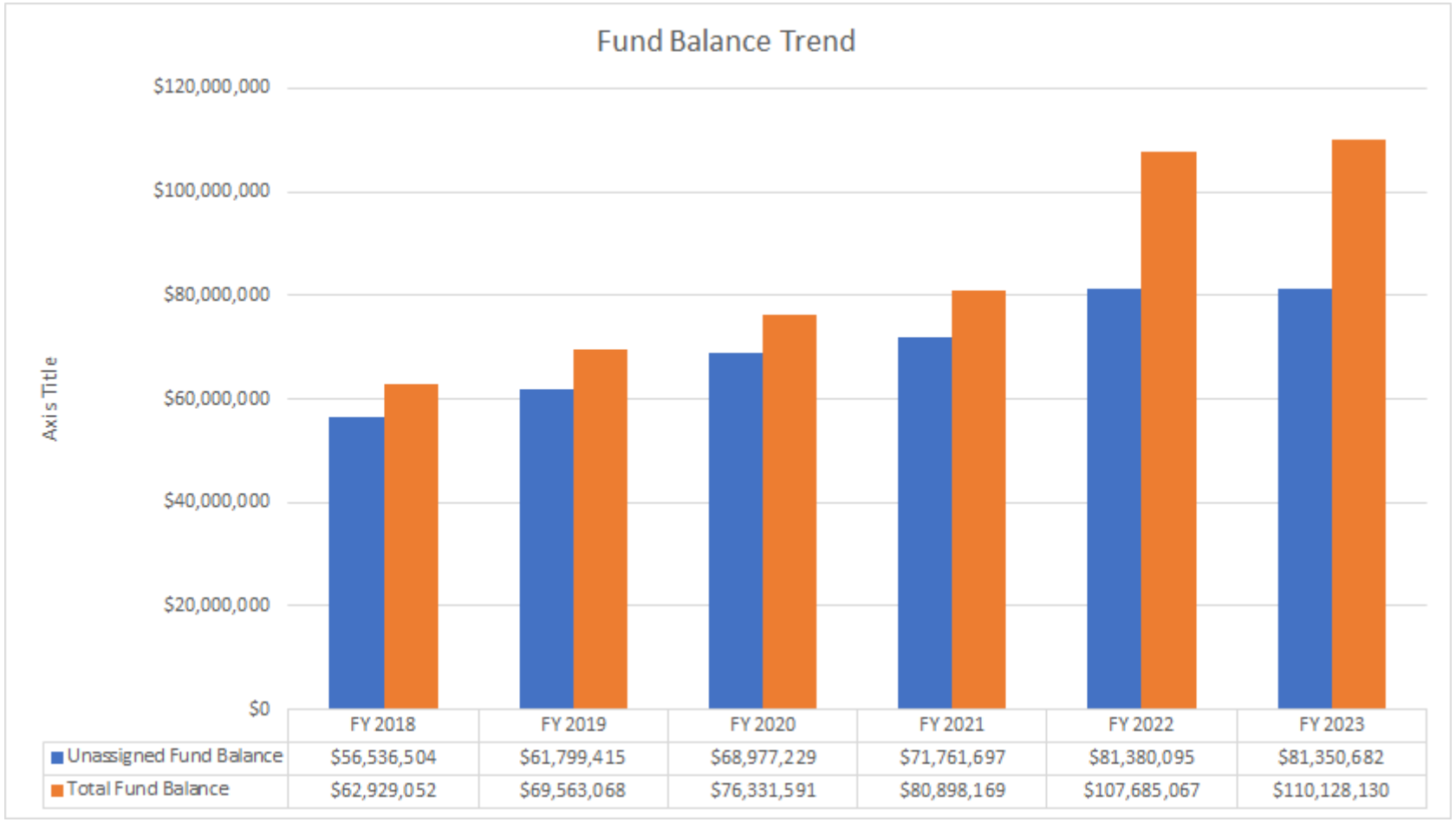
Looking ahead: alleviating the Effects of the Funding Cliff



- 2023-2024 is the last school year to **supplant** with ESSER funds to level off the funding cliff.
- Consider using ESSER III first for allowable activities, to save other federal grants and state and local M&O funds.
  - Must be reasonable and necessary, meet the intent of ESSER statute (pandemic-related), and be allowable.
- If supplanting with state and local M&O, be mindful of other federal MOE requirements (e.g., IDEA-B).
- For more information on supplanting M&O funds, please refer to this training video from April 2022, which uses this training deck. Slides 16-22 are most relevant.

For questions relating to coding supplanting of state and local funds, please contact David Marx (david.marx@tea.Texas.gov).

Fiscal Year 2024-2025 Financial Update

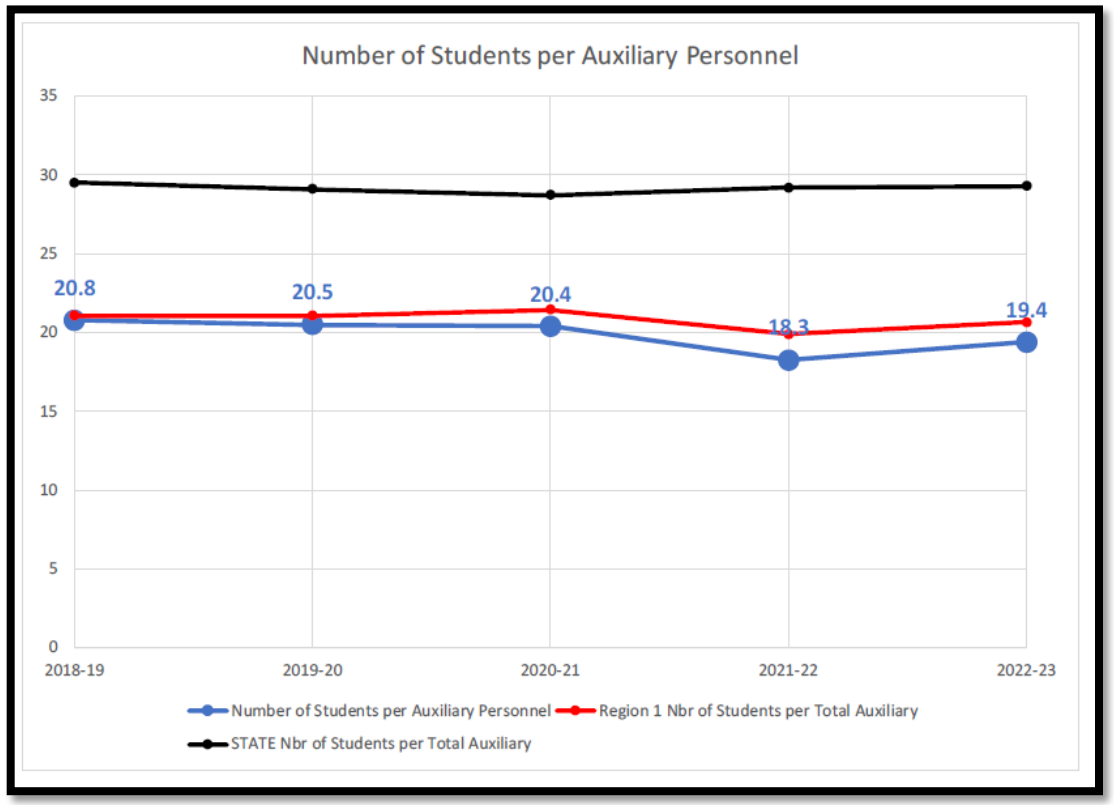


	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Unassigned Fund Balance	$56,536,504	$61,799,415	$68,977,229	$71,761,697	$81,380,095	$81,350,682
Total Fund Balance	$62,929,052	$69,563,068	$76,331,591	$80,898,169	$107,685,067	$110,128,130

The ESSER Years: From FY 2020 to FY 2023, the fund balance increased by $33,796,539.

Fiscal Year 2024-2025 Financial Update

Avoiding the ESSER Fiscal Cliff



Staffing Study: The District commissioned Moak Casey to conduct a staffing study using District TAPR Data, the Master Schedule, and the 23-24 PEIMS Fall Snapshot.

We are currently evaluating certain positions for potential **reduction through attrition**, as advised by the staffing study. These positions include:

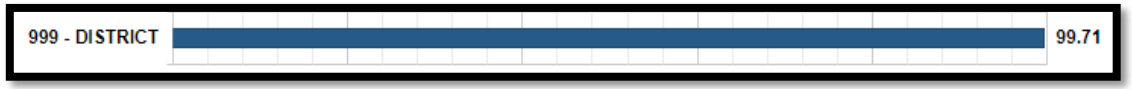
- Child Nutrition Program Staff
- Custodial Staff
- Maintenance Staff
- Security Guards (not reducing)
- Transportation Staff
- Instructional Aides
- Teachers
- Others

Fiscal Year 2024-2025 Financial Update

Avoiding the ESSER Fiscal Cliff

- **Enrollment and Attendance Monitoring:** The District utilizes Daily Enrollment and Attendance Reports to closely monitor student enrollment and attendance and identify trends that may impact our funding and resource allocation.
- **Flexible School Day Program:** The District strategically implemented the Optional Flexible School Day Program (OFSDP) to provide an option to restore student instruction time and attendance, potentially increasing attendance.
- **Public Relations Collaboration:** The District partners with the public relations team on our Attendance Matters campaign to raise student attendance awareness.
- **Community Engagement:** The District coordinates community events such as the Pre-K Roundup, Mission CISD Showcase, Music in the Park, Lunch and Learns, and Back to School Bash to foster a strong connection with the community and promote enrollment and engagement in our schools.

- **2024-2025 Online Student Registration:** In preparation for the 2024-2025 school year, Mission CISD is actively promoting Online Student Registration. Registration is currently underway, with many campuses approaching or achieving 100% student registration for the upcoming year. Districtwide, we have reached 99.71% completion.



Fiscal Year 2024-2025 Financial Update

2024 <u>Preliminary</u> Property Value Data:

- **Property Value T1** = School district taxable value for M&O purposes before the loss to the increase in the state-mandated homestead exemption, $3,576,393,281
- **Property Value T2** = School district taxable value for M&O purposes after the loss to the increase in the state-mandated homestead exemption and the tax ceiling reduction, $3,030,841,763
- **Property Value T7** = same as T1, but for I&S.
- **Property Value T8** = same as T2, but for I&S.

Fiscal Year 2024-2025 Financial Update

Revenues

- **Legislative Update:** No Additional Funding
- **State Aid**
  - 2024-2025 based on 12,832 ADA using TASBO Pupil Projection Tool.
- **Property Values**
  - Property Values have an inverse relationship with state aid.
  - The Hidalgo County Appraisal District provided estimates by April 30th; the values will be certified at the end of July.
    - Net Taxable: $3,078,618,008
    - Freeze Taxable: $160,736,708
    - Freeze Adjusted Taxable: $2,917,881,300
- **Tax Timeline**
  - **July:** Certified Property Values
  - **August:** TEA Max Compressed Tax Rate
  - **September:** Tax Rate Adoption
  - **October:** Tax Statements Mailed
  - **January:** Property Value Confirmation by State Comptroller
- **Proposed Tax Rate**
  - District utilized the State Aid template to determine preliminary M&O.
  - District worked with Estrada-Hinojosa to determine preliminary I&S.
  - Recommendation: Keep the tax rate the same.
    - 2023-2024: $1.11300
    - 2024-2025: $1.11300
  - Will be posted in the Progress Times on June 7, 2024.

Fiscal Year 2024-2025 Financial Update

Expenditures

- **Federal Funding Reallocation:** Transitioning eligible staff to federal funds to alleviate payroll costs.
- **Payroll Reduction:** We aim to decrease payroll by $6.2 million through natural attrition and strategic staffing analysis.
  - Current Payroll Reduction: $3,740,104
  - Percentage of Goal Reached: 60.32%%
  - Remaining to Achieve Goal: $2,459,896
  - Reduced about 102 FTEs.
- **Compensation Considerations:** 0%, 2%, 2.5%
- **Health Insurance:** Conducting analysis alongside the insurance consultant to ensure each insurance plan is self-sustainable.
  - Max-funded is projected at a 12% increase or about $2.1 million.
- **Retirement Contributions:** The district TRS contribution will remain at 8.25%, and the Public Education Employer Contribution will remain at 1.9%.
- **Worker's Compensation & Unemployment:** There is no rate change for Worker's Compensation and a minor 5% increase ($6,331) in Unemployment Compensation.
- **Overtime Restriction:** Eliminating overtime to manage costs.
- **Substitute Limitation:** Reducing substitute usage for Administrator and Clerical positions to control expenses.
- **Construction Hold:** Pausing new construction projects until legislative clarity; ongoing projects will continue.
- **Department and Campus allocations:** Will be based on 2023-2024 ADA.
  - Savings of approximately $1.5 million.

Proposed Budget 2024-2025

Considerations

Student Basic Allotment:

- Current Amount: $6,160
- Unchanged Since: 2019

Inflation Impact:

- Inflation Rate: 20%
- Adjusted Amount: $6,160 x 20% = $1,232
- Total Impact: $1,232 x 12,800 ADA = $15.7 million

Legislative Update:

- Funding: No additional funding provided

District's Financial Prudence:

- Mission CISD has followed TEA recommendations and demonstrated prudent savings.
- Savings Achieved: $33.8 million saved over the past three fiscal years.

Moving Forward:

- These savings can be utilized to sustain the district until the next legislative session.
- We need to advocate for Public School Funding.

Fiscal Year 2024-2025 Financial Update

Preliminary 2024-2025 Budget

- **Considerations:**
  - Maintain focus on educational outcomes.
  - Ensure minimal disruption to essential services.
  - Seek opportunities for efficiency and cost savings without compromising quality.
    - Maximizing the efficiency of Professional Learning Community (PLCs).
- Following recommendations, we still anticipate a preliminary shortfall for 2024-2025. We are actively working to review and reduce expenditures.
- Also, we must use the fund balance if the District decides to provide a salary increase and cover part of the rise in self-funded health insurance costs. However, this method is not sustainable. Therefore, we must continue to analyze the data and right-size our budget and staffing levels.
- $2.6 million still needed in payroll reductions through attrition.
- $1.8 million shortfall (anticipated).
- $3.3 million in raises.
- $2.1 million in health insurance costs increase (employer contribution).
- Total expenditures over revenues is: $9.8 million
- Revenue neutral balanced budget since we saved $33.8 million (over the last three years) where we could balance from fund balance as suggested by TEA.

Budget Development Process

Revenues

		GENERAL FUND 1XX	DEBT SERVICE 599	TOTAL
REVENUES				
LOCAL OTHER SOURCES	5700	$ 30,031,602	$ 9,630,237	$ 39,661,839
STATE SOURCES	5800	137,776,428	2,810,431	140,586,859
FEDERAL SOURCES	5900	16,601,482	-	16,601,482
TOTAL REVENUES		$ 184,409,512	$ 12,440,668	$ 196,850,180

Proposed Budget

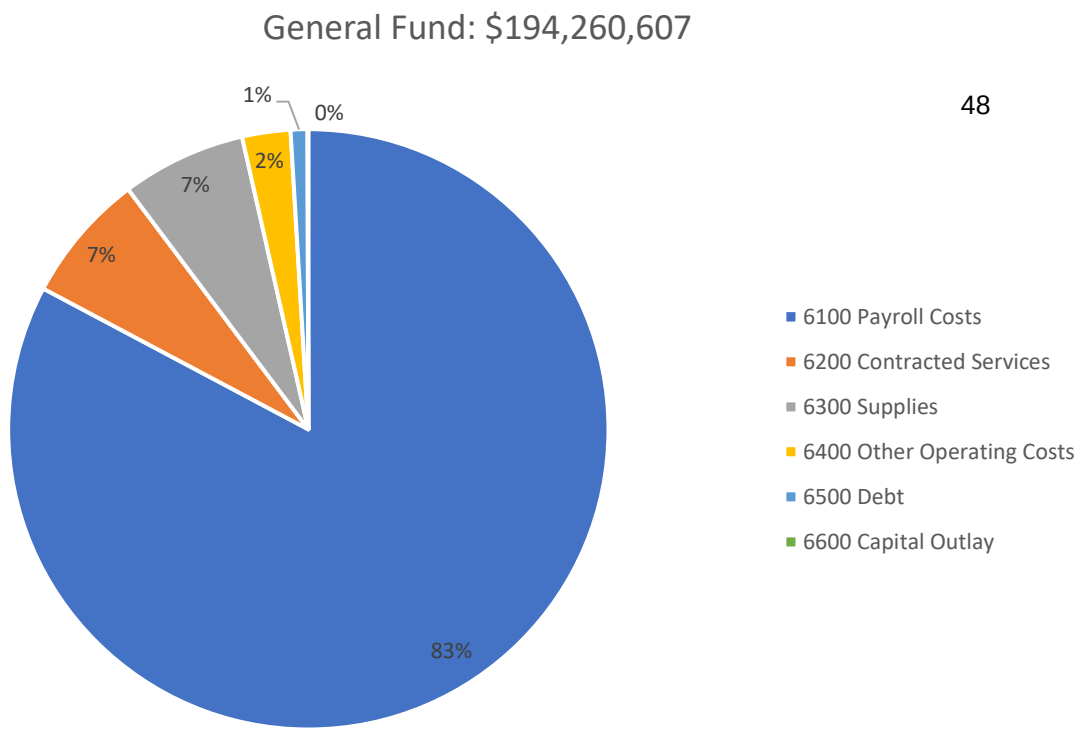
Expenditures

EXPENDITURES				
11 INSTRUCTION	$ 103,856,877	$ -	$ 103,856,877	
12 INSTRUCTIONAL RESOURCE & MEDIA	2,623,139	-	2,623,139	
13 CURRICULUM & INSTRUCT STAFF DV	2,671,832	-	2,671,832	
21 INSTRUCTIONAL LEADERSHIP	2,920,190	-	2,920,190	
23 SCHOOL LEADERSHIP	10,280,356	-	10,280,356	
31 GUIDANCE COUNSELING & EVAL SVC	7,118,168	-	7,118,168	
32 SOCIAL WORK SERVICES	468,416	-	468,416	
33 HEALTH SERVICES	1,934,234	-	1,934,234	
34 STUDENT (PUPIL) TRANSPORTATION	5,031,131	-	5,031,131	
35 FOOD SERVICE	15,100,838	-	15,100,838	
36 EXTRACURRICULAR ACTIVITIES	7,470,258	-	7,470,258	
41 GENERAL ADMINISTRATION	6,354,898	-	6,354,898	
51 FACILITIES MAINTENANCE & OPS	19,489,179	-	19,489,179	
52 SECURITY & MONITORING SERVICES	3,383,593	-	3,383,593	
53 DATA PROCESSING SERVICES	3,200,091	-	3,200,091	
61 COMMUNITY SERVICES	172,726	-	172,726	
71 DEBT SERVICE	1,754,817	12,440,668	14,195,485	
81 FAC ACQUISITION & CONSTRUCTION	83,479	-	83,479	
95 PAYMENTS JJAEP	20,000	-	20,000	
99 OTHER INTERGOV. CHARGES	326,385	-	326,385	
TOTAL EXPENDITURES	$ 194,260,607	$ 12,440,668	$ 206,701,275	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (9,851,095)	$ -	$ (9,851,095)	
OTHER FINANCING SOURCES (USES)				
OTHER SOURCES 7900	$ 23,315,171	$ -	$ 23,315,171	
OTHER USES 8900	(23,315,171)	-	(23,315,171)	
TOTAL OTHER FINANCING SOURCES (USES)	$ -	$ -	$ -	
NET CHANGE IN FUND BALANCE	$ (9,851,095)	$ -	$ (9,851,095)	

Proposed Budget

Category

	General Fund	Debt Service	Total
6100 Payroll Costs	$ 160,787,438	$ -	$ 160,787,438
6200 Contracted Services	$ 13,564,961	$ -	$ 13,564,961
6300 Supplies	$ 13,016,746	$ -	$ 13,016,746
6400 Other Operating Costs	$ 5,049,966	$ -	$ 5,049,966
6500 Debt	$ 1,754,817	$ 12,440,668	$ 14,195,485
6600 Capital Outlay	$ 86,679	$ -	$ 86,679
Total Expenditures	**$ 194,260,607**	**$ 12,440,668**	**$ 206,701,275**



Proposed Budget

Program

Fund	Program	Revenue	Transfers In from General Fund	Transfers Out from General Fund	Expenditures
101	CHILD NUTRITION PROGRAM	$ 14,729,098	$	$	$ 14,729,098
161	CAREER & TECHNOLOGY EDUCATION	5,859,371	2,655,448		8,514,819
165	BILINGUAL EDUCATION	1,892,164			1,892,164
171	SPECIAL EDUCATION	10,252,133	7,097,873		17,350,006
172	TEACHER INCENTIVE ALLOTMENT	3,546,519			3,546,519
174	COLLEGE CAREER MILITARY READINESS	316,800	1,827,856		2,144,656
175	STATE COMPENSATORY EDUCATION	10,658,036			10,658,036
181	ATHLETICS	233,600	4,774,119		5,007,719
185	FINE ARTS	-	1,315,493		1,315,493
191	TECHNOLOGY	-	1,325,415		1,325,415
193	TRANSPORTATION	702,521	4,058,044		4,760,565
195	GIFTED & TALENTED	-	260,923		260,923
199	GENERAL FUND	136,219,270		23,315,171	122,755,194
	TOTAL GENERAL FUND	$ 184,409,512	$ 23,315,171	$ 23,315,171	$ 194,260,607

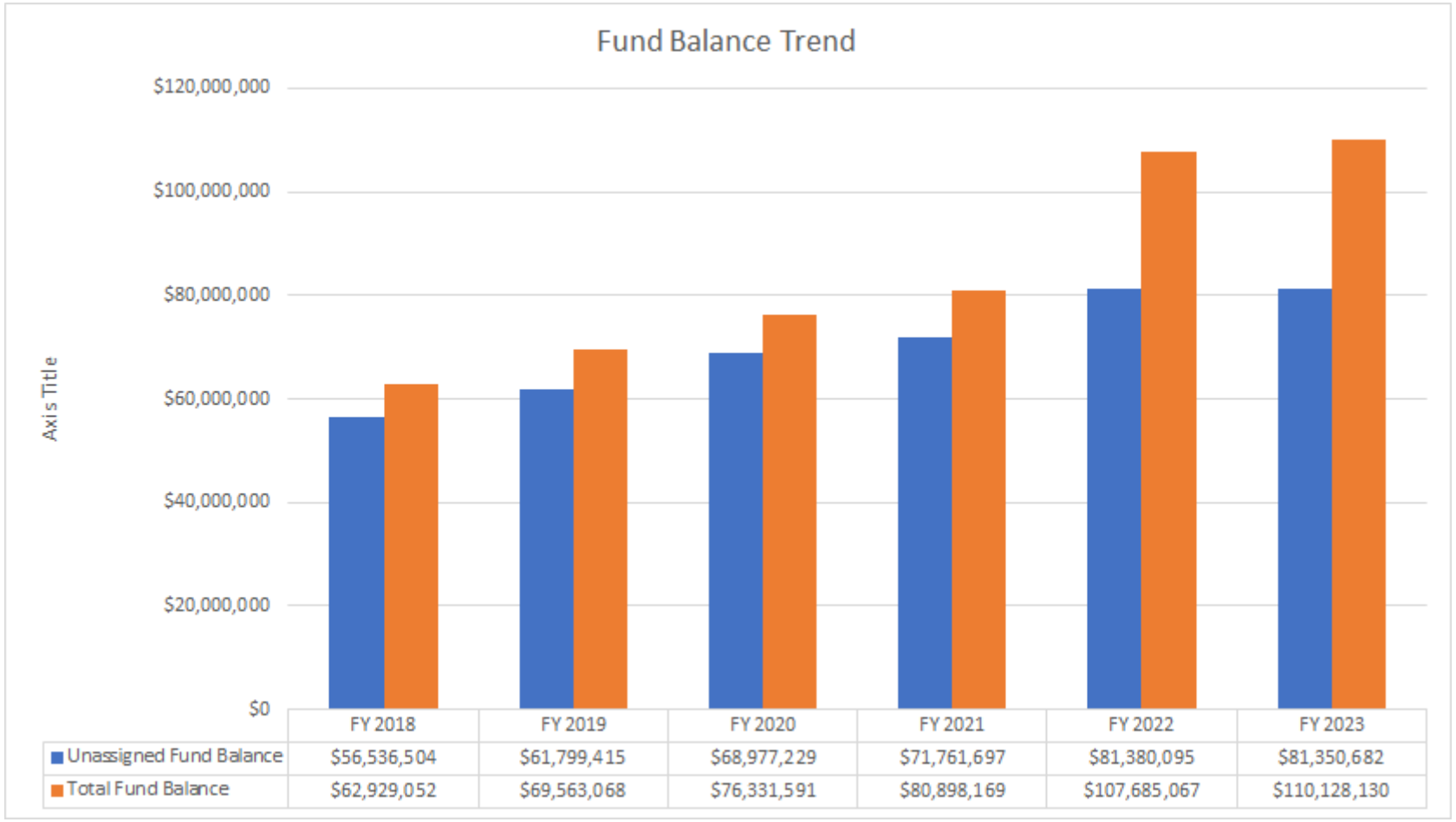
Proposed Budget

2024 - 2025 Proposed Budget

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TOTAL OTHER FINANCING SOURCES (USES)		$ -	$ -	$ -
NET CHANGE IN FUND BALANCE		$ (9,851,095)	$ -	$ (9,851,095)

- General Fund: $194,260,607
- Debt Service: $12,440,668
- Total: $206,701,275

Fiscal Year 2024-2025 Financial Update



	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
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The ESSER Years: From FY 2020 to FY 2023, the fund balance increased by $33,796,539.

Budget and Tax Rate Timeline

- June 7, 2024: Progress Times publishes the public notice.
- June 7, 2024: The District posts the proposed budget on its website.
- June 19, 2024: The Board of Trustees convenes a public hearing to discuss Budget and Proposed Tax Rate.
- June 19, 2024: The budget is adopted at the Board of Trustees meeting.
- June 30, 2024: The deadline for the legally mandated adoption of the District's budget.
- September 11, 2024: Tax Rate Adoption

Disclaimer

All estimates are preliminary and subject to change as information becomes available.

Financial Transparency



For further inquiries or additional information, please visit our Financial Transparency web page or contact our Finance Department at (956) 323-5515.

Award Winning Finance Team

1. **School Financial Integrity Rating System of Texas (FIRST):** A Rating
2. **Government Finance Officers Association (GFOA):** Certificate of Achievement for Excellence in Financial Reporting
3. **Association of School Business Officials International (ASBO):** Meritorious Budget Award
4. **National Procurement Institute:** Achievement of Excellence in Procurement Award
5. **Texas Association of School Business Officials (TASBO):** Award of Merit for Purchasing Operations
6. **Texas Association of School Boards (TASB):** Risk Management Excellence Award



Thank you

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Contact Information:

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Deputy Superintendent

Business and Support Services

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Email: Joel.Garcia@mcisd.org