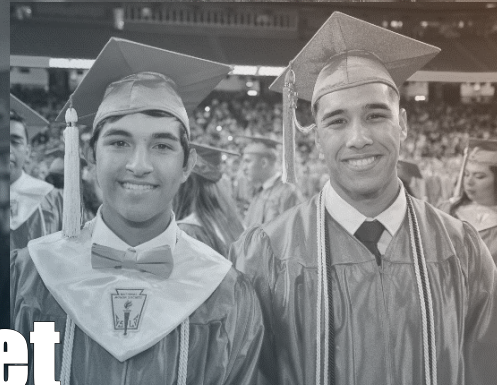
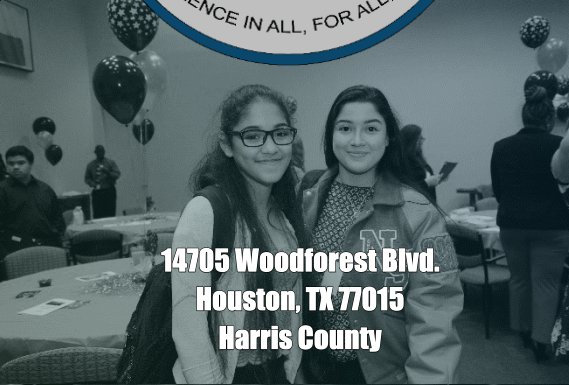


Galena Park Independent School District



2020-2021 Budget



14705 Woodforest Blvd.
Houston, TX 77015
Harris County

www.galenaparkisd.com



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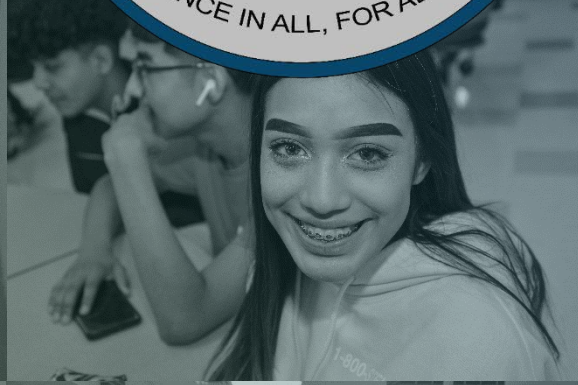
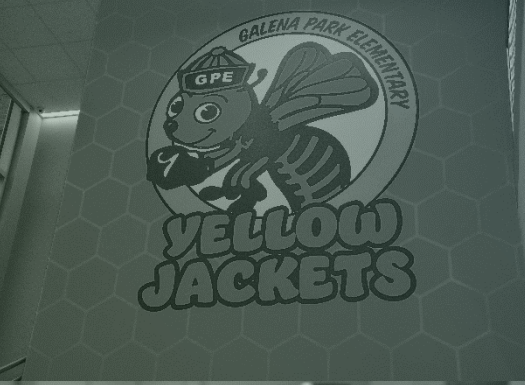
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Executive Summary



Galena Park Independent School District

Principal Officials

Board of Trustees



President - Ramon Garza



Vice President - Jeff Miller



Secretary - Adrian Stephens



Wilfred J. Broussard



Wanda Heath Johnson



Noe Esparza



Norma Hernandez

Superintendent of Schools



Dr. John C. Moore

Administration

Sonya GeorgeChief Financial Officer/Deputy Superintendent for Operational Support
Dr. Wanna Giacona..... Chief Administrative Officer
Elizabeth Lalor Deputy Superintendent for Educational Support
Terri W. Moore Associate Superintendent for Accountability and Academic Support
Dr. Michelle Epps.....Assistant Superintendent for Student Support Services
Dr. David Harris.....Assistant Superintendent for School Administration
Holli Malloy.....Assistant Superintendent for Curriculum and Instruction and Professional Dev.
Dina D. Edgar.....Assistant Superintendent for Business Services
Michael McKay..... Assistant Superintendent for Human Resource Services

Mission Statement

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

Motto

Excellence In All, For All, By All



District Improvement Plan

- Goal 1:** The District will provide a safe, productive and healthy learning/working environment for students and staff
- Goal 2:** The District will provide information and opportunities to assist students in preparing for college and careers
- Goal 3:** The District will ensure student growth in the tested areas
- Goal 4:** The District will ensure students are provided quality enrichment/extracurricular programs and encourage their participation
- Goal 5:** The District will have a 96.5% or higher student attendance rate and a 97% or higher teacher attendance rate
- Goal 6:** The District will provide opportunities for parental/community involvement and business partnership
- Goal 7:** The District will ensure high quality staff is employed
- Goal 8:** The District will provide superior operational services to best support students and staff success



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

This 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 2019–2020.

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



A handwritten signature in black ink that reads 'Claire Hertz'. The signature is written in a cursive style and is positioned above a horizontal line.

Claire Hertz, SFO
President

A handwritten signature in black ink that reads 'David J. Lewis'. The signature is written in a cursive style and is positioned above a horizontal line.

David J. Lewis
Executive Director

Galena Park Independent School District

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 1st through August 31st. A budget must be adopted no later than August 31st 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 Chief Financial Officer/Deputy Superintendent for Operational Support 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 around 84% 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 20th for the September 1st 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 2020-21

- Adjust Teacher pay scale, increase starting pay to \$59,000; **\$2,229,387**
- 1.5% of midpoint general pay increase for all employees; **\$1,303,167**
- Various new positions approved by Board of Trustees; **\$3,582,800**
 - 26 Teachers at elementary campuses, to support the expansion from half-day pre-kindergarten services to whole day
 - 38 Instructional Aides at elementary campuses, to support the expansion from half-day pre-kindergarten services to whole day
 - 7 Teachers for various campuses, supporting various areas of curriculum including Math, Science, English Language Arts, Social Studies and Career & Technology Education
 - 4 Assessment & Digital Learning Specialists for various campuses, to aid in technology related curriculum and instruction
 - 1 Director for Student Safety and Behavior Management to ensure the implementation and management of threat assessments, student safety, behavior management and transition
 - 6 Crossing Guards to ensure the safety of students
 - 2 Receptionists for the addition of two Legacy School Based Clinics housed at district campus facilities
 - 1 Licensed Mental Health & Student Support Specialist to support the staff and students with mental health needs
 - 1 FOCUS Teacher, due to the increased number of Special Education students receiving services at Purple Sage Elementary
 - 1 FOCUS Aide, due to the increased number of Special Education students receiving services at Purple Sage Elementary
 - 1 Behavior Training Center Teacher, due to the increased number of students needing services at Woodland Acres Middle School
 - 1 Behavior Training Center Aide, due to the increased number of students needing services at Woodland Acres Middle School
 - 0.5 Security Guard positions, to add services across the campuses
 - 1 Hall Monitor to assist in providing a safe environment for students at North Shore Senior High School
 - 1 Student Nutrition Specialist, to support the increased demand in providing breakfast in the classroom for students at North Shore Senior High School
- Continued funding for annual lifecycle projects and upgrades to facilities; **\$2,500,000**
- Increase for COVID-19 related supplies and services; **\$2,150,000**
- The District postponed the start of school until after Labor Day, and subsequently shifted work days for Instructional staff back by 10 days. Expense for those days will now be realized in June 2021, rather than August 2020; **\$5,134,000**
- Continued funding for Transportation fleet replacement; **\$845,926**

- Continued funding for Technology and network upgrade projects; **\$643,172**
- Increase for officer and patrol contract costs; **\$272,206**
- Increase of annual insurance premium; **\$219,000**
- Increase for Student Attendance Incentive program; **\$133,500**
- Additional resources due to the expansion to full day pre-kindergarten; **\$86,700**
- Increase for Harris County Appraisal District collection costs; **\$62,000**
- Increase for Reading Academies, scheduled Summer 2021; **\$56,300**
- Increase for dumpster and trash collection contract; **\$35,000**

Galena Park ISD has strived to excel in its ability to serve students in a safe and effective manner, while offering parents the choice for students to attend classes in-person or virtually. Throughout the COVID-19 pandemic, the message from District leadership has been clear...



Significant Budget Action Items for 2019-20 and 2020-21 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 86th Legislative Session began January 8th and ended May 27th, 2019. The following Senate Bills (SB) and House Bills (HB) were passed during this session, impacting school district budgets state wide. The Legislature did not hold session in 2020.

HB 3: School Finance and Public Education

This is a comprehensive school finance bill with a transformative impact that will affect the funding of schools for years to come. The bill compresses the property tax rates that a district can impose, while simultaneously increasing the basic funding allotment for students by \$635 per Average Daily Attendance (ADA) on average.

At a high level overview, the bill can be divided into four parts:

- Supports teachers and rewards teacher excellence
- Increases funding and equity
- Focuses on learning and improving student outcomes
- Reduces and reforms property taxes and recapture

Supports teachers and rewards teacher excellence

The bill increases minimum salary level, provides for teacher incentive funding and a teacher mentor program, ties current and future increase in the Basic Allotment to instructional staff salary increases, and creates a Do Not Hire registry.

Increases funding and equity

Increases the basic allotment from \$5,140 to \$6,160 modifies the determining factor for Compensatory Education and increases the funding for Educationally Disadvantaged students, changes the Tier One provisions to use current year property values, and provides equal treatment of Available School Fund (ASF) funding.

Focuses on learning and improving student outcomes

The bill provides funding for Dyslexia related services, increased funding for mainstream Special Education, Dual Language, blended learning and Career and Technology Education, includes a College Career and Military Readiness (CCMR) outcomes bonus, supports Kindergarten through third grade reading and mathematics, while extending the elementary school year and mandating full-day pre-kindergarten services for eligible students.

Reduces and reforms property taxes and recapture

Compresses property tax rates by eight cents for 2019, with further compression if the property values increase at a rate higher than 2.5%, and a cut in Recapture from \$3.6 billion to \$2.0 billion in the first year.

SB 11: School Safety and Mental Health Promotion

This bill revises and adds to the Education Code requirements regarding school safety, including:

- Increases requirements for school multi-hazard emergency operations plans
- Includes Substitute teachers among educators to receive safety training
- Requires districts to establish threat assessment teams to incorporate best practices for school safety and school climate
- Requires school districts to integrate trauma-informed practices in the school environment
- Requires the TEA Commissioner to adopt standards for safe and secure school facilities
- Establishes a school safety allotment (\$9.72 per ADA) for districts to use in improving security and providing mental health personnel
- Establishes Texas Child Mental Health Care Consortium

SB 12: Teacher Retirement System of Texas rates

The bill modifies TRS contribution rates to the following:

| Year | State | Employee | District |
|--------------------|--------------|-----------------|-----------------|
| 2019-20 | 7.50% | 7.70% | 1.50% |
| 2020-21 | 7.50% | 7.70% | 1.60% |
| 2021-22 | 7.75% | 8.00% | 1.70% |
| 2022-23 | 8.00% | 8.00% | 1.80% |
| 2023-24 | 8.25% | 8.25% | 1.90% |
| 2024-25 and beyond | 8.25% | 8.25% | 2.00% |

An additional “13th check”, up to \$2,000, is provided to eligible beneficiaries. Over the 2020-21 biennium, this bill increases state costs for contributions by \$435.8 million, and district contribution costs by \$77.9 million.

SB 30: Voter Approval for the Issuance of Bonds

Bond proposals for the following construction projects need to be stated in a separate proposition:

- Stadium
- Natatorium
- Performing Arts Facility
- Recreational facility other than a gym
- Teacher housing
- Technology equipment, other than for school safety

HB 18: Mental Health of Public School Students

This is a sweeping bill that includes the following provisions:

- Adds the study of mental health conditions, substance abuse, relationship management and responsible decision making to the K-12 enrichment curriculum
- Adds certain mental-health related topics to the continuing education requirements for teachers, principals and counselors
- Requires school counselors to implement a comprehensive school counseling program that meets best practice standards
- Requires district improvement plans to include a plan to implement a comprehensive school counseling program and positive behavior interventions

HB 440: General Obligation Bonds

Limits a district's use of unspent general obligation bond proceeds to:

- The specific purpose for which the bond was authorized
- Retiring the bonds
- Another purpose if the original purposes are accomplished and the board votes to approve the fund use in a public meeting

HB 496: Bleeding Control Kit Program

Districts must:

- Ensure that bleeding control stations are located in easily accessible areas of campuses. These stations must include specific medical equipment to stop blood loss in the event of traumatic injury
- Ensure that certain district personnel, such as peace officers and school resource officers, are trained on the use of medical equipment at the bleeding control stations
- Annually offer training to students in grade 7 and higher on how to use the bleeding control kits

The bill protects from liability the school district and personnel who use the bleeding control station in a "good faith" effort.

HB 1051: Adult Education Program

Adults 18 years or older may participate in an alternative education program to earn a high school diploma, with funding calculated through the Foundation School Program, regardless of age.

HB 2195: Active Shooter Emergency Policy

Mandates that schools must have a multi-hazard emergency operation plan in place for

responding to an active shooter emergency. A district peace officer or resource officer must complete an approved active shooter response training program.

HB 3906: Assessment of Public School Students

This allows the flexibility to offer student assessments in multiple parts over multiple days, mandates the Texas Education Agency (TEA) to develop an integrated formative assessment pilot program, dictates that TEA and the State Board of Education (SBOE) will develop a plan to transition to online assessments by December 2020, targeting implementation in September 2021. By the 2022-23 school year, multiple-choice questions will be limited to 75%. The SBOE may designate which sections of math exams may or may not be completed using technology, and when required, districts must provide to all students graphing calculators or similar applications on computing devices.

Future Impact

When the 87th legislature convenes in 2021, lawmakers will be faced with several difficult challenges, including responding to economic and public health demands of a pandemic, public education issues resulting from COVID-19 closures, the expiration of Medicare 1115 Waiver (\$6.2 billion per year), redistricting, as well as the cost of property tax relief by HB3 and its impact on the state budget. The State of Texas Comptroller, Glenn Hegar, has already warned legislators of a \$4.6 billion shortfall on the revenue originally forecasted in the current budget.

Source: Texas Tribune <https://www.texastribune.org/2020/07/20/texas-deficit-comptroller/>

COVID-19

The 2019 novel coronavirus (COVID-19) pandemic has had a huge impact on how Galena Park ISD, and school districts in general, are operating in the 2020-21 school year. Every decision made regarding the reopening of schools has had an impact on other areas across the District; allowing the option for students to attend virtually has impacted how teachers operate, increased spending on the technology needed to deliver instruction as well as providing the technology our students need to receive instruction, both in the form of devices and internet distribution; delaying the start of school had a major impact to recording payroll related expenses; providing meals to students has been greatly impacted while many students are not on the campus; the operations of Custodial, Maintenance and Warehouse staff have all been adjusted to accommodate the number of individuals on campus at a time, in addition to supplementary costs for sanitation equipment, supplies and Personal Protective Equipment (PPE).



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 2020-21 are \$292,539,489, and total budgeted expenses are \$300,056,000.

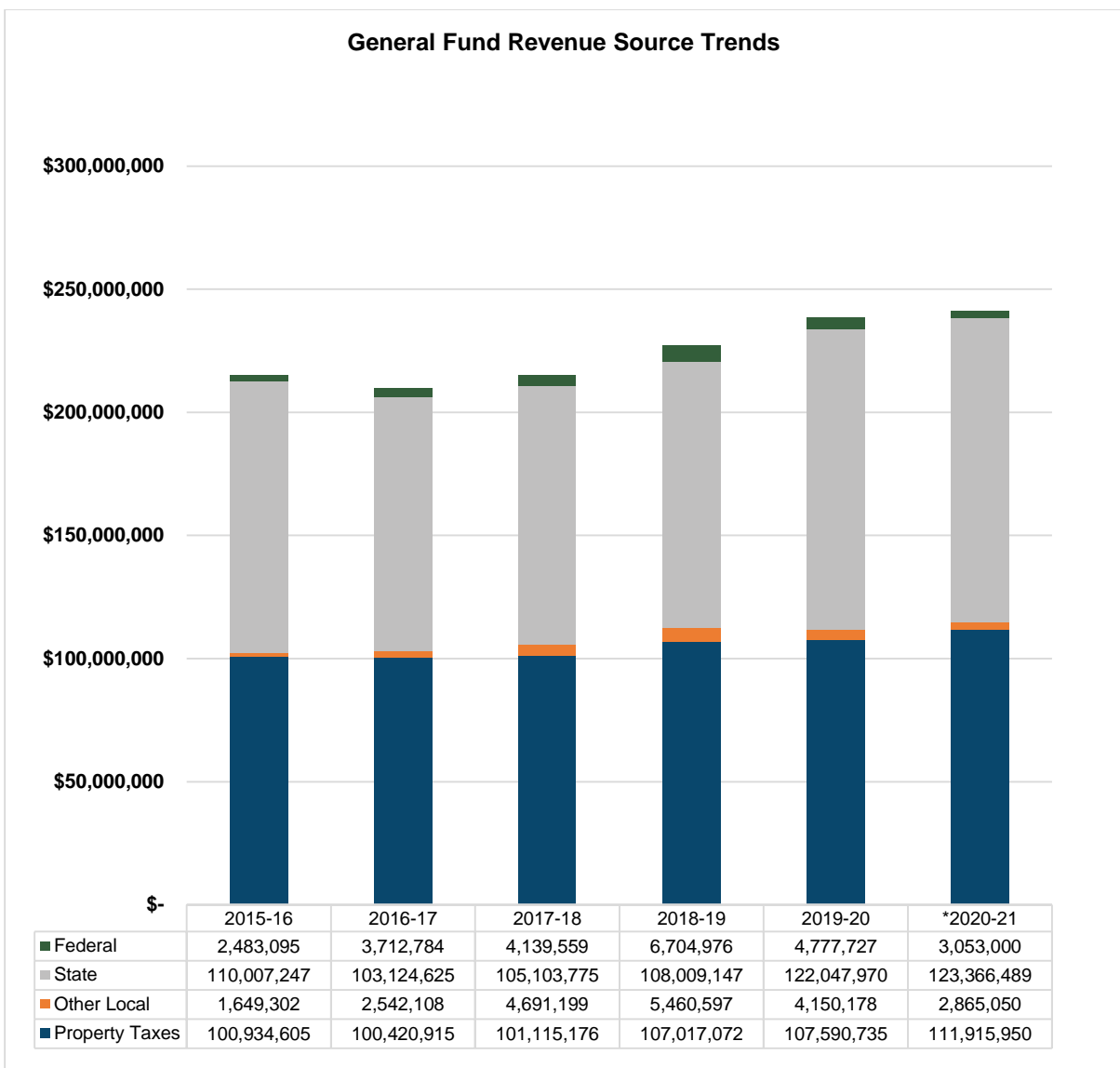
| | Fiscal Year 2017-18 | Fiscal Year 2018-19 | Fiscal Year 2019-20 | Fiscal Year 2020-21 |
|---------------------------------------|------------------------|------------------------|------------------------|------------------------|
| | Actuals (Audited) | Actuals (Audited) | Actuals (Unaudited) | Adopted |
| <i>Revenues</i> | | | | |
| General Fund | \$215,049,709 | \$227,191,792 | \$238,566,610 | \$241,200,489 |
| Debt Service | 26,616,530 | 29,130,187 | 31,696,520 | 33,601,000 |
| Food Service | 15,867,114 | 17,259,782 | 13,867,372 | 17,738,000 |
| | \$257,533,353 | \$273,581,761 | \$284,130,502 | \$292,539,489 |
| <i>Expenditures</i> | | | | |
| General Fund | \$207,870,858 | \$213,951,173 | \$227,534,576 | \$248,717,000 |
| Debt Service | 39,694,950 | 29,883,787 | 32,395,573 | 33,601,000 |
| Food Service | 16,569,115 | 15,897,488 | 14,443,978 | 17,738,000 |
| | \$264,134,924 | \$259,732,448 | \$274,374,127 | \$300,056,000 |
| <i>Other Resources, non-operating</i> | | | | |
| General Fund | \$125,203 | \$127,633 | \$73,160 | - |
| Debt Service | 15,843,564 | - | 144,711 | - |
| Food Service | 31,814 | 24,022 | 12,678 | - |
| | \$16,000,581 | \$151,655 | \$230,549 | - |
| <i>Fund Balance</i> | | | | |
| General Fund | \$153,104,931 | \$166,473,183 | \$177,578,377 | \$170,061,866 |
| Debt Service | 11,195,980 | 10,442,380 | 9,888,038 | 9,888,038 |
| Food Service | 2,782,063 | 4,168,379 | 3,604,451 | 3,604,451 |

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 2019-20 was \$238,566,610, with the 2020-21 budget conservatively anticipating \$241,200,489.

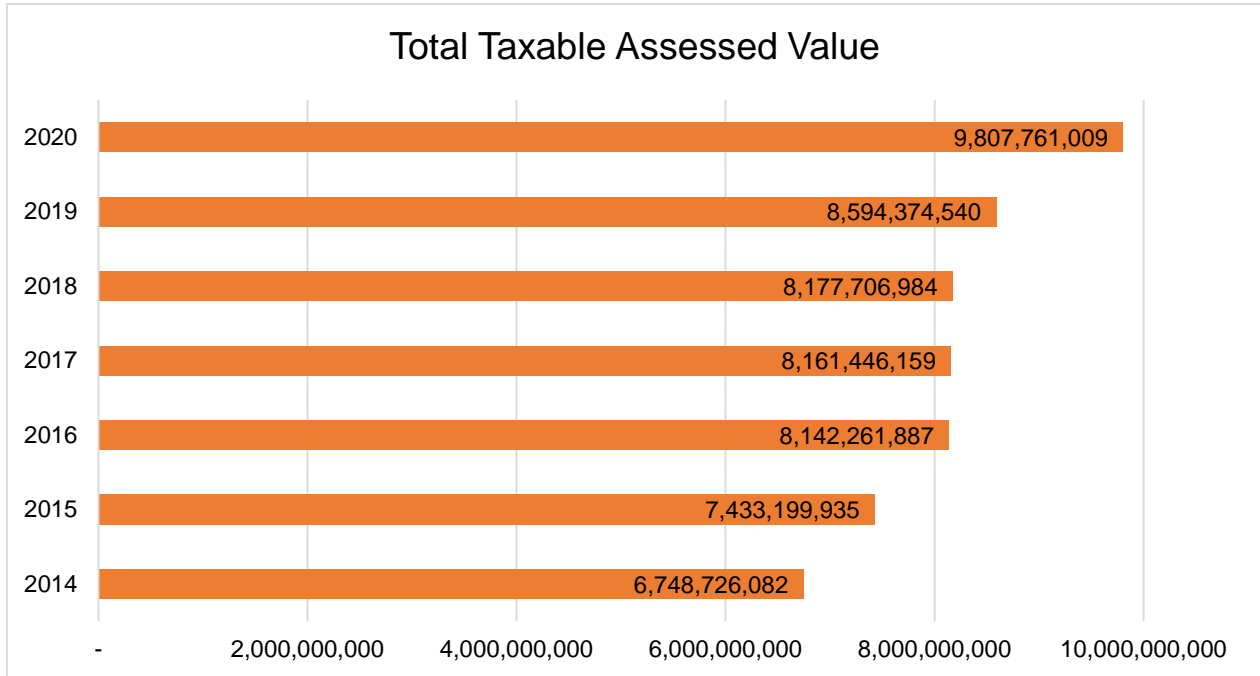


*Budget

The graph on the previous page 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

Ad valorem 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.

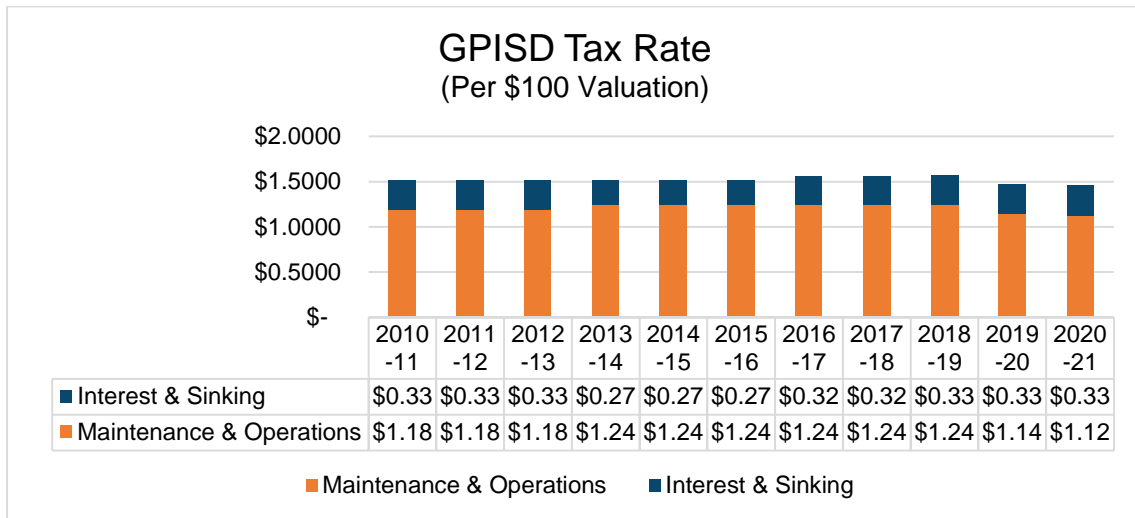


Taxable Value is defined by Section 1.04(10), Tax code. Values above are for the fiscal year, ending on August 31.

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 (M&O) and Interest & Sinking (I&S) for 2020-21 are \$1.1281 and \$0.3300, respectively, based on a fiscal year 2021 taxable value of \$10,218,158,748. Uncollected taxes are recorded as unavailable revenue in the fund financial statements net of the related allowance for uncollectible taxes.



The Interest & Sinking increases in 2016-17 and 2018-19 were in anticipation of changes to the District’s debt payments during the upcoming fiscal years. A bond election was held on May 7, 2016 for \$290 million, passing by 72%. As of the budget adoption date, all bond sales have occurred.

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

Impact on Taxpayers

The table below shows the calculated property tax bill for a home in the District boundaries, valued at \$100,000.

| | Actuals | | | Current | Proposed |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2019-20</u> |
| Assessed value of home | \$100,000 | \$100,000 | \$100,000 | \$100,000 | \$100,000 |
| Less: 20% Local Option Exemption | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Less: Homestead exemption | <u>25,000</u> | <u>25,000</u> | <u>25,000</u> | <u>25,000</u> | <u>25,000</u> |
| Taxable Value | \$55,000 | \$55,000 | \$55,000 | \$55,000 | \$55,000 |
| Total property tax rate | <u>\$1.5633</u> | <u>\$1.5633</u> | <u>\$1.5733</u> | <u>\$1.4717</u> | <u>\$1.4581</u> |
| Property tax due | <u>\$859.82</u> | <u>\$859.82</u> | <u>\$865.32</u> | <u>\$809.44</u> | <u>\$801.96</u> |

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

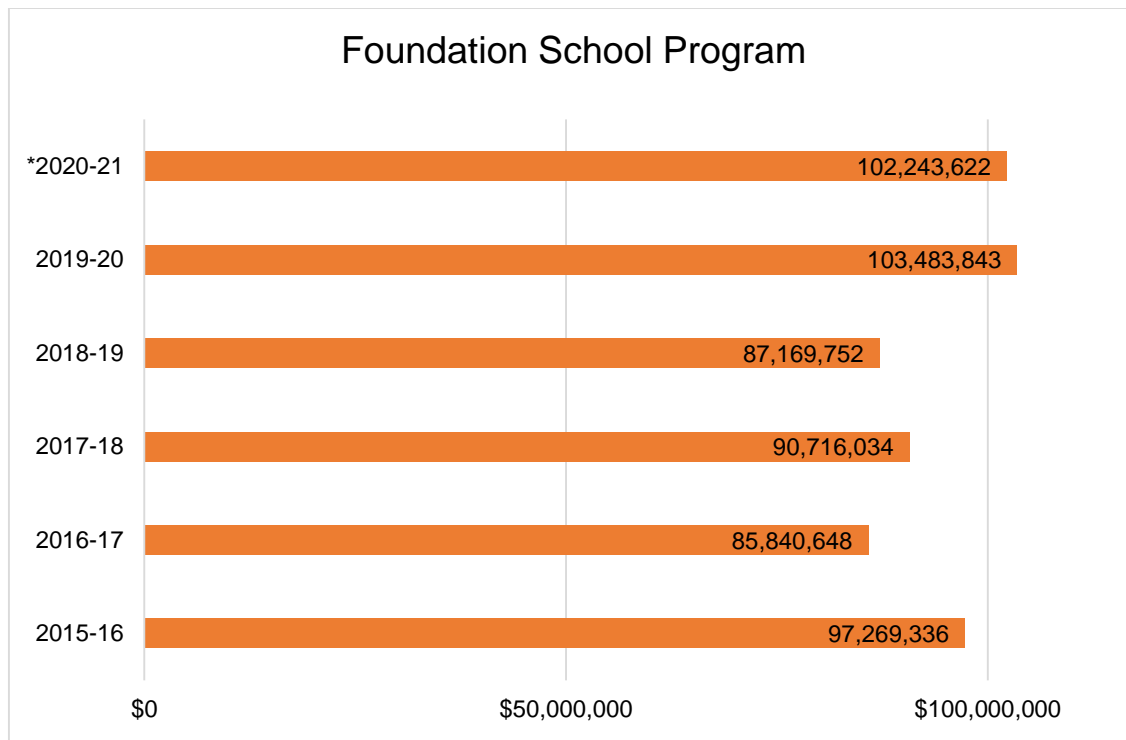
The District has made every effort to refund outstanding bonds when possible to lower the debt service requirement. In May 2020, \$14,850,000 of the Series 2010 Bonds was refunded. By lowering the average interest rate on those Bonds from 4.33% to an average of 2.17% the district was able to save \$4,249,864 in interest cost over the remaining life of the bonds.

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 for 2020-21 are budgeted to increase \$12,597,000 or 5.33% over the 2019-20 beginning budget.

The following table provides a comparison by Major Object for the 2019-20 and 2020-21 beginning budgets.

| | Beginning Budget 2019-20 | Beginning Budget 2020-21 | Percentage change | Percentage of Total |
|------------------------|-----------------------------|-----------------------------|----------------------|------------------------|
| Payroll | \$193,175,146 | \$210,159,467 | 8.79% | 84.50% |
| Contracted Services | 16,055,655 | 17,481,495 | 8.88% | 7.03% |
| Supplies and Materials | 17,077,068 | 12,823,223 | -24.91% | 5.16% |
| Other Operating Costs | 6,317,571 | 6,544,048 | 3.58% | 2.63% |
| Debt Service | 360,000 | 0 | -100.00% | 0.00% |
| Capital Outlay | 3,134,560 | 1,708,767 | -45.49% | 0.69% |
| Total | \$236,120,000 | \$248,717,000 | 5.33% | 100.00% |

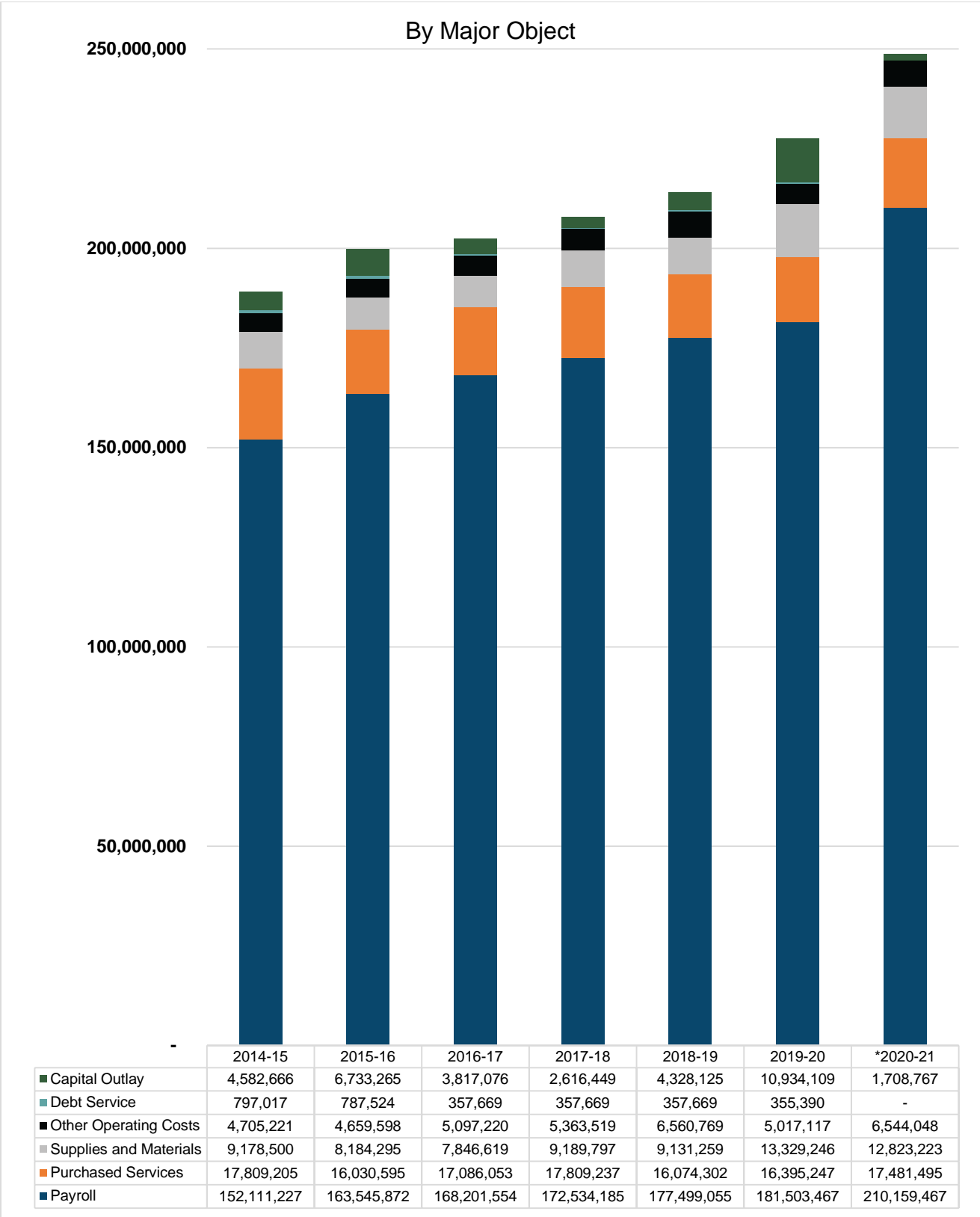
Education is a very labor-intensive process, and the budget reflects this by allocating approximately 84.5% to payroll expenditures annually. The payroll budget is based on established guidelines and enrollment projections for each campus. Requests for additional staff must be approved by the Board of Trustees; ninety-one and a half new positions were approved for fiscal year 2020-21, largely due to increased enrollment in various student populations, the opening of new facilities, and the expansion from half-day to full-day pre-kindergarten services. A full list of new positions is found on page 7 of this document.

Total Staff (FTE) Counts by Year

| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Teachers | 1,410.3 | 1,401.2 | 1,409.3 | 1,358.8 | 1,374.8 | 1,399.0 |
| Professional Support | 400.8 | 392.7 | 370.4 | 411.9 | 384.4 | 393.7 |
| Campus Administration | 81.1 | 78.6 | 78.3 | 87.0 | 87.9 | 88.2 |
| Central Administration | 50.0 | 56.0 | 52.0 | 54.0 | 62.0 | 59.5 |
| Educational Aides | 204.4 | 244.6 | 239.4 | 249.7 | 271.0 | 257.6 |
| Auxiliary | 793.6 | 979.6 | 1,044.0 | 1,056.9 | 1,074.4 | 1,034.5 |
| Total | 2,940.2 | 3,152.7 | 3,193.4 | 3,218.3 | 3,254.5 | 3,232.5 |
| Percentage change | | 7.23% | 1.29% | 0.78% | 1.12% | -0.68% |

This data reflects *filled* positions, as reported to the Texas Education Agency.

Six Year Expenditure Comparison

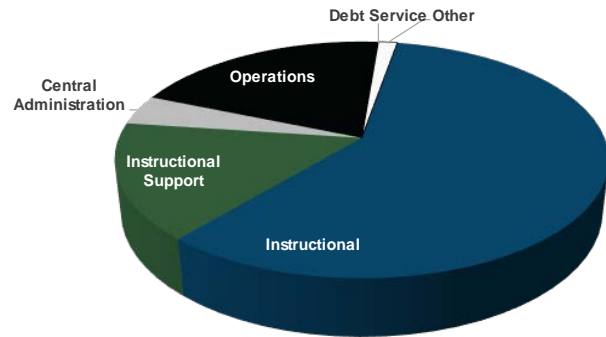


*Budget

The following graph shows the District's 2020-21 General Fund by Major Functional area. Approximately 74.31% is dedicated to Instructional and Instructional Support, with 25.69% allocated to areas of Administration and Operations.

General Fund Budget by Major Area

| | | |
|------------------------|-----------------------|--------|
| Instructional | \$ 145,399,000 | 58.46% |
| Instructional Support | 39,426,000 | 15.85% |
| Central Administration | 10,212,000 | 4.11% |
| Operations | 50,007,000 | 20.11% |
| Debt Service | - | 0.00% |
| Other | 3,673,000 | 1.48% |
| | \$ 248,717,000 | |

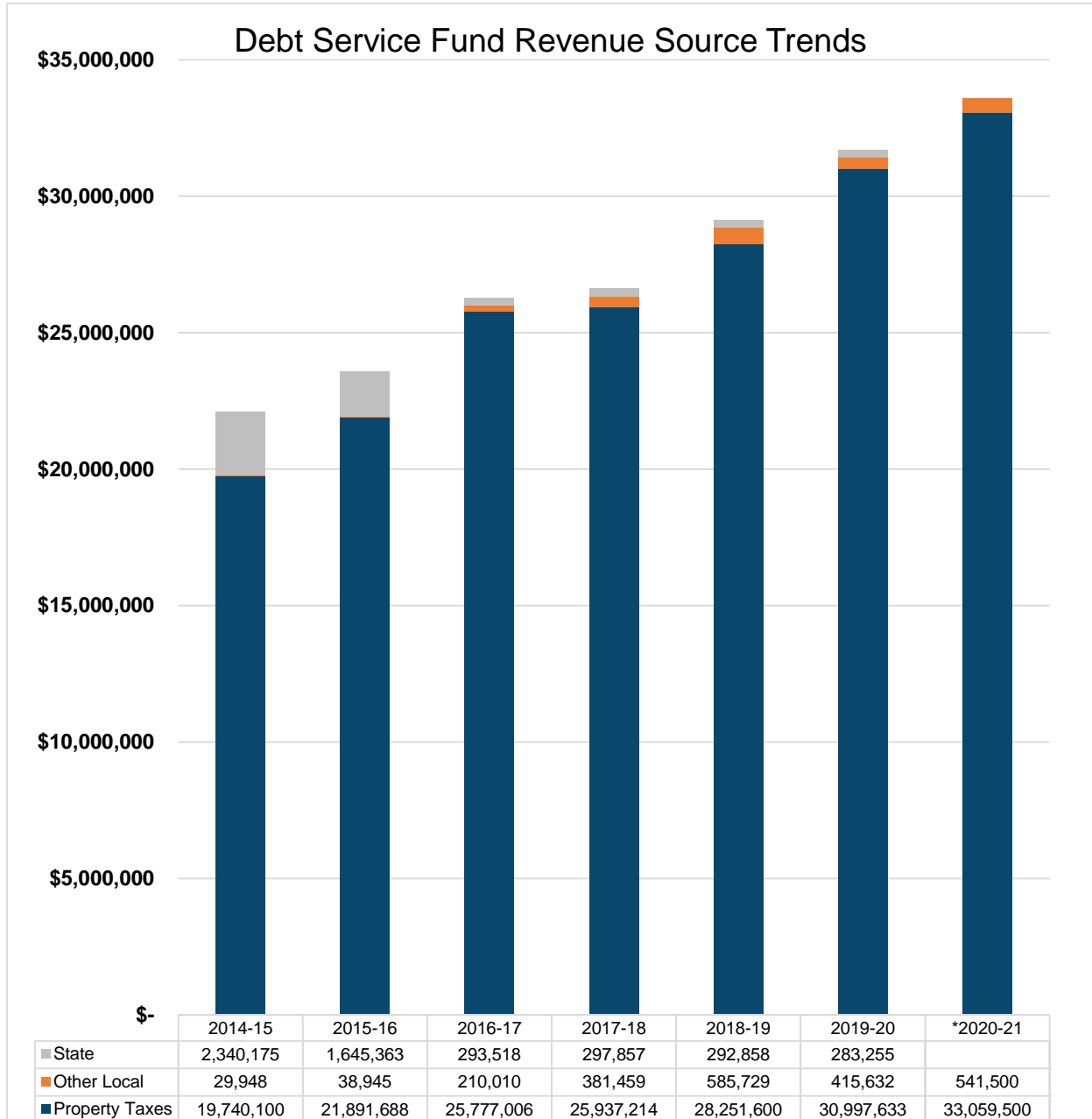


Debt Service

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 2019-20 was \$31,696,520, with the 2020-21 budget anticipating \$33,601,000.



*Budget

Expenditures

Debt Service Fund expenditures for 2020-21 are budgeted to increase \$2,987,000 or 9.76% over the 2019-20 beginning budget, due to the sale of Bonds approved by the voters.

The following table provides a comparison by Object for the 2019-20 and 2020-21 beginning budgets.

| | Beginning Budget 2019-20 | Beginning Budget 2020-21 | Percentage change | Percentage of Total |
|-------------------------|-----------------------------|-----------------------------|----------------------|------------------------|
| Bond Principal | \$15,430,850 | \$16,192,496 | 4.94% | 48.19% |
| Interest on Bonds | 15,173,150 | 17,402,504 | 14.69% | 51.79% |
| Other Debt Service Fees | 10,000 | 6,000 | -40.00% | 0.02% |
| Total | \$30,614,000 | \$33,601,000 | 9.76% | 100.00% |

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.

In the fall of 2019, the District issued the remaining \$105 million from the voter approved \$290 million May 2016 bond election resulting in an increase of approximately \$2.3 million from the bond payment at the time of adoption.

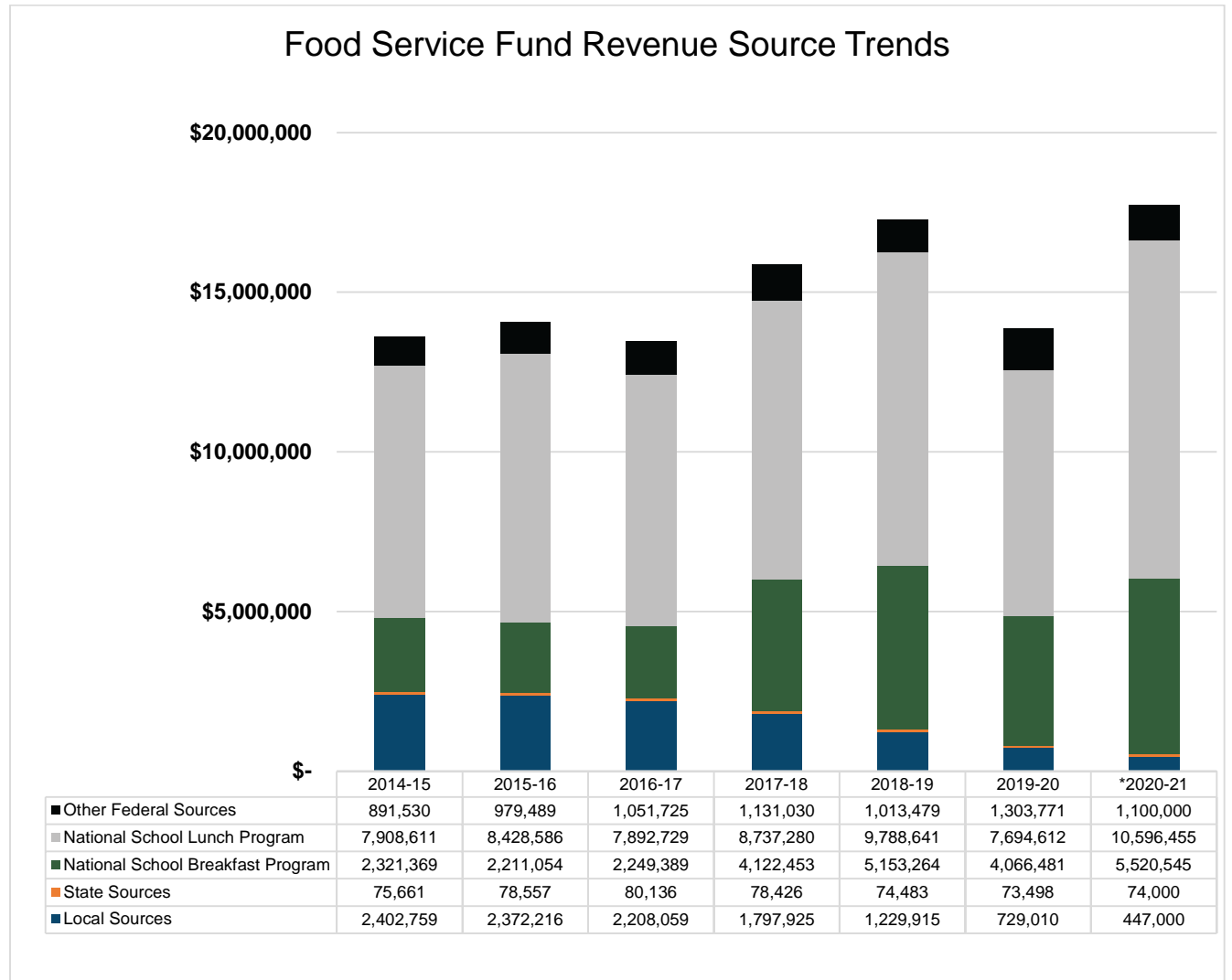
The District has made every effort possible to refinance outstanding bonds when possible to lower interest rates and provide interest cost savings. In May 2020, \$14,850,000 of the Series 2010 Bonds was refunded. By lowering the average interest rate on those Bonds from 4.33% to an average of 2.17% the District was able to save \$4,249,864 in interest cost over the remaining life of the bonds.

Total outstanding debt as of August 31, 2020 is \$623,814,681.

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 2019-20 was \$13,867,372 with the 2020-21 budget anticipating \$17,738,000.



* 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 80-85% 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 2020-21 are budgeted to decrease \$241,000 or (1.34%) over the 2019-20 beginning budget.

The following table provides a comparison by Major Object for the 2019-20 and 2020-21 beginning budgets.

| | Beginning Budget 2019-20 | Beginning Budget 2020-21 | Percentage change | Percentage of Total |
|------------------------|-----------------------------|-----------------------------|----------------------|------------------------|
| Payroll | \$7,455,249 | \$7,109,496 | -4.64% | 40.08% |
| Contracted Services | 307,825 | 252,800 | -17.88% | 1.43% |
| Supplies and Materials | 9,959,777 | 10,231,849 | 2.73% | 57.68% |
| Other Operating Costs | 43,355 | 44,855 | 3.46% | 0.25% |
| Capital Outlay | 212,794 | 99,000 | -53.48% | 0.56% |
| Total | \$17,979,000 | \$17,738,000 | -1.34% | 100.00% |

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



Capital Projects

Revenues

The Capital Projects Fund receives its funding from the proceeds from the sale of bonds. These bonds are approved through bond referendums that are approved by the voters in Galena Park ISD. The last bond referendum was approved in 2016 in the amount of \$290,000,000. To date, all approved bonds have been sold.

Expenditures

The Capital Projects Fund expenses are all related to the construction and equipping of new school facilities, to purchase school sites, and renovations or repair of existing facilities. The Board of Trustees does not formally adopt the Capital Project Funds budget annually.

These budgets are prepared on a project basis based on the proceeds available from bond sales, with planned expenditures outlined as they apply to the applicable bond ordinances. Each major construction contract is authorized based on the existing availability of these proceeds and approved but not issued bonds. The impact of Capital Projects must be considered during the development of the annual budgets. For example, the District has been addressing the logistical needs related to moving an entire campus of students to a separate facility while the campus is demolished and rebuilt. Future operating costs associated with new facilities are projected in the General Fund budget, while repayment of bonds issued for Capital Projects are included in the Debt Service Fund projections.

Certain capital outlay purchases and projects, such as fleet replacement and technology upgrades, are budgeted in the General Fund. The only projects that use the Capital Projects Fund are those that fit within the scope of the bonds, consented to by voters within the district boundaries.

2016 Bond Program Financial report, August 31 2020

| | | | | | |
|---------------------------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|
| Cimarron Elementary | \$ 2,061,203 | \$ 2,104,921 | \$ 2,104,921 | \$ - | \$ - |
| Galena Park High School | - | 1,688,970 | 1,688,970 | - | - |
| Galena Park Middle | 96,624 | 87,342 | 87,342 | - | - |
| MacArthur Elementary | 1,988,730 | 619,845 | 619,845 | - | - |
| Maintenance Facility | 24,876 | 79,759 | 79,759 | - | - |
| Normandy Crossing Elementary | 1,506,325 | 735,739 | 735,739 | - | - |
| North Shore Middle | 503,332 | 864,802 | 864,802 | - | - |
| North Shore Senior High | 3,097,226 | 3,193,986 | 3,193,986 | - | - |
| North Shore Senior 9th Grade | 1,205,866 | 347,128 | 347,128 | - | - |
| Williamson Elementary | 3,510,711 | 356,776 | 356,776 | - | - |
| Total Projects Completed | \$ 13,994,893 | \$ 10,079,269 | \$ 10,079,269 | \$ - | \$ - |
| Projects In Construction | | | | | |
| Replacement | | | | | |
| Cloverleaf Elementary | \$ 34,024,795 | \$ 27,366,930 | \$ 25,923,617 | \$ 1,316,286 | \$ 127,027 |
| Galena Park Elementary | 26,609,394 | 25,055,234 | 25,055,234 | - | - |
| Jacinto City Elementary | 34,024,795 | 30,607,081 | 24,786,257 | 5,615,839 | 204,985 |
| North Shore Elementary | 33,679,800 | 31,208,856 | 31,100,023 | 108,833 | - |
| Woodland Acres Elementary | 24,400,284 | 20,100,252 | 20,100,252 | - | - |
| Addition | | | | | |
| North Shore Senior 10th Grade | 34,191,876 | 28,244,976 | 28,244,976 | - | - |
| Renovations | | | | | |
| Renovations - Summer 2019 | 14,508,704 | 11,567,705 | 10,226,994 | 1,340,711 | - |
| Renovations - Summer 2020 | 2,585,021 | 4,039,813 | 461,299 | 2,823,023 | 755,490 |
| Addition/Renovation | | | | | |
| Galena Park High | 21,538,717 | 47,697,408 | 1,294,159 | 12,309,193 | 34,094,057 |
| Total Projects in Construction | \$ 225,563,386 | \$ 225,888,255 | \$ 167,192,810 | \$ 23,513,885 | \$ 35,181,560 |
| Projects In Design | | | | | |
| Replacement | | | | | |
| Pyburn Elementary | \$ 30,551,527 | \$ 29,168,421 | \$ 919,005 | \$ 1,242,185 | \$ 27,007,231 |
| Total Projects in Design | \$ 30,551,527 | \$ 29,168,421 | \$ 919,005 | \$ 1,242,185 | \$ 27,007,231 |
| Projects Pending | | | | | |
| Renovations | | | | | |
| Summer 2021 | \$ 1,409,928 | \$ 1,707,085 | \$ - | \$ - | \$ 1,707,085 |
| Summer 2022 | 771,506 | 1,018,388 | - | - | 1,018,388 |
| Other | 15,208,761 | 18,435,358 | 538,588 | 64,585 | 17,832,186 |
| Total Projects Pending | \$ 17,390,194 | \$ 21,160,831 | \$ 538,588 | \$ 64,585 | \$ 20,557,658 |
| Land Acquisition | | | | | |
| Total Land Acquisition | \$ 2,500,000 | \$ 2,926,913 | \$ 2,926,913 | \$ - | \$ - |
| Payroll | | | | | |
| Total Payroll | \$ - | \$ 150,000 | \$ 120,309 | \$ - | \$ 29,691 |
| Miscellaneous | | | | | |
| Total Miscellaneous | \$ - | \$ 626,311 | \$ 475,534 | \$ - | \$ 150,776 |
| Total All 2016 Bond Projects | \$ 290,000,000 | \$ 290,000,000 | \$ 182,252,429 | \$ 24,820,655 | \$ 82,926,916 |

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.

| | Budget 2020-21 | Projected 2021-22 | Projected 2022-23 | Projected 2023-24 |
|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| General Fund | | | | |
| Local | \$ 114,781,000 | \$ 113,611,938 | \$ 114,365,220 | \$ 115,133,774 |
| State | 123,366,489 | 127,187,600 | 127,962,800 | 129,185,200 |
| Federal | 3,053,000 | 3,205,700 | 3,366,000 | 3,534,300 |
| Total Revenue | \$ 241,200,489 | \$ 244,005,238 | \$ 245,694,020 | \$ 247,853,274 |
| Payroll | \$ 210,159,467 | \$ 206,627,100 | \$ 208,693,400 | \$ 210,780,300 |
| Purchased Services | 17,481,495 | 17,533,900 | 17,586,500 | 17,639,300 |
| Supplies and Materials | 12,823,223 | 11,893,800 | 12,191,100 | 12,495,900 |
| Other Operating Costs | 6,544,048 | 6,642,200 | 6,741,800 | 6,842,900 |
| Debt Service | - | - | - | - |
| Capital Outlay | 1,708,767 | 1,623,300 | 1,542,100 | 1,465,000 |
| Total Expenditures | \$ 248,717,000 | \$ 244,320,300 | \$ 246,754,900 | \$ 249,223,400 |
| Other Uses | | | | |
| Change to Fund Balance | \$ (7,516,511) | \$ (315,062) | \$ (1,060,880) | \$ (1,370,126) |
| Fund Balance - Beginning | \$ 177,578,377 | \$ 170,061,866 | \$ 169,746,804 | \$ 168,685,924 |
| Fund Balance - Ending | \$ 170,061,866 | \$ 169,746,804 | \$ 168,685,924 | \$ 167,315,798 |
| Debt Service | | | | |
| Local | \$ 33,601,000 | \$ 34,731,059 | \$ 35,338,852 | \$ 35,649,077 |
| State | - | 541,500 | 541,500 | 541,500 |
| Total Revenue | \$ 33,601,000 | \$ 35,272,559 | \$ 35,880,352 | \$ 36,190,577 |
| Debt Service | \$ 33,601,000 | \$ 34,489,000 | \$ 35,372,300 | \$ 35,372,800 |
| Total Expenditures | \$ 33,601,000 | \$ 34,489,000 | \$ 35,372,300 | \$ 35,372,800 |
| Other Uses | | | | |
| Change to Fund Balance | \$ - | \$ 783,559 | \$ 508,052 | \$ 817,777 |
| Fund Balance - Beginning | \$ 9,888,038 | \$ 9,888,038 | \$ 10,671,597 | \$ 11,179,649 |
| Fund Balance - Ending | \$ 9,888,038 | \$ 10,671,597 | \$ 11,179,649 | \$ 11,997,426 |
| Food Service | | | | |
| Local | \$ 447,000 | \$ 438,100 | \$ 429,400 | \$ 420,900 |
| State | 74,000 | 75,500 | 77,100 | 78,700 |
| Federal | 17,217,000 | 17,268,700 | 17,320,600 | 17,320,600 |
| Total Revenue | \$ 17,738,000 | \$ 17,782,300 | \$ 17,827,100 | \$ 17,820,200 |
| Payroll | \$ 7,109,496 | \$ 7,180,600 | \$ 7,252,400 | \$ 7,324,900 |
| Purchased Services | 252,800 | 255,300 | 257,900 | 260,500 |
| Supplies and Materials | 10,231,849 | 10,334,200 | 10,437,500 | 10,541,900 |
| Other Operating Costs | 44,855 | 45,800 | 46,700 | 47,600 |
| Capital Outlay | 99,000 | 100,000 | 100,000 | 100,000 |
| Total Expenditures | \$ 17,738,000 | \$ 17,915,900 | \$ 18,094,500 | \$ 18,274,900 |
| Other Uses | | | | |
| Change to Fund Balance | \$ - | \$ (133,600) | \$ (267,400) | \$ (454,700) |
| Fund Balance - Beginning | \$ 3,604,451 | \$ 3,604,451 | \$ 3,470,851 | \$ 3,203,451 |
| Fund Balance - Ending | \$ 3,604,451 | \$ 3,470,851 | \$ 3,203,451 | \$ 2,748,751 |

Changes in Debt

The most recent bond election was held on May 7, 2016 for \$290 million, passing by 72%. The District is using the bond funds to address aging facilities, student safety and 21st century education, including renovations to all 25 educational facilities and 9 support facilities. As of the budget adoption date, the District has sold all \$290 million in bonds.

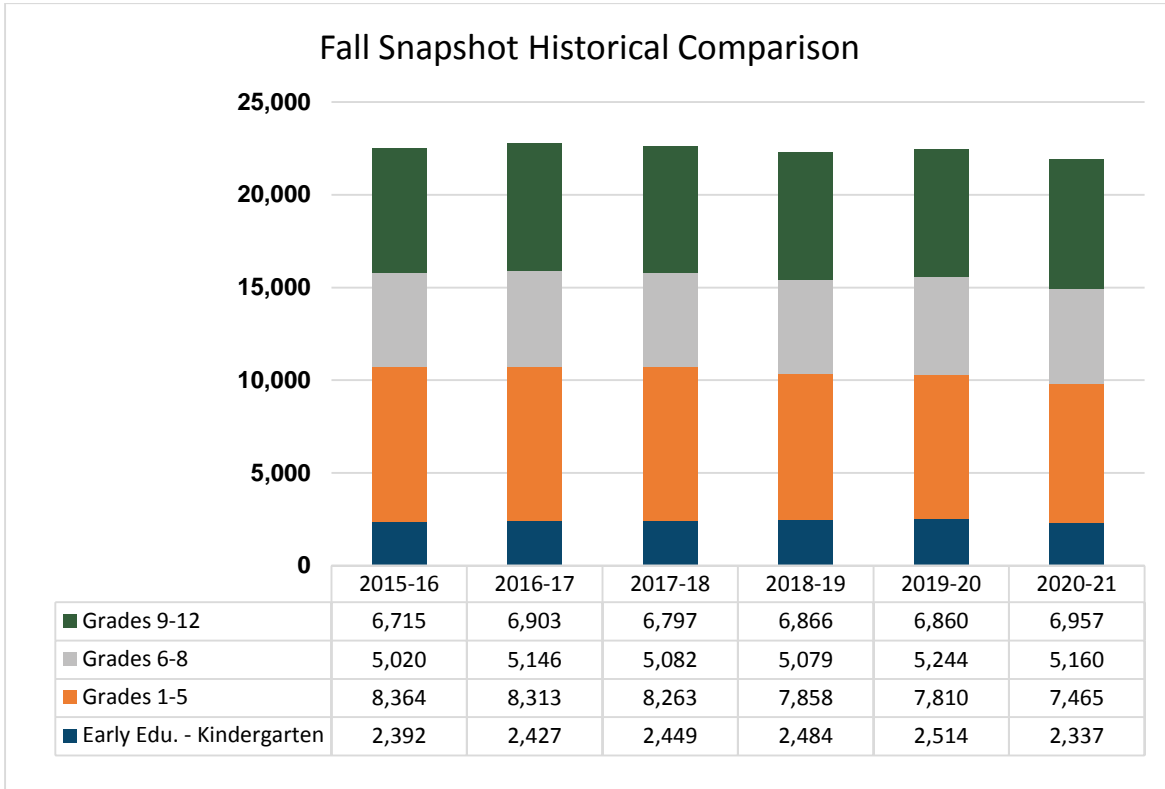
Source: North Channel Star <http://www.northchannelstar.com/2016/05/>

In the fall of 2019, the District issued the remaining \$105 million from the voter approved \$290 million May 2016 bond election resulting in an increase of approximately \$2.3 million from the bond payment at the time of adoption. In May 2020, \$14,850,000 of the Series 2010 Bonds was refunded. By lowering the average interest rate on those Bonds from 4.33% to an average of 2.17% the District was able to save \$4,249,864 in interest cost over the remaining life of the bonds.



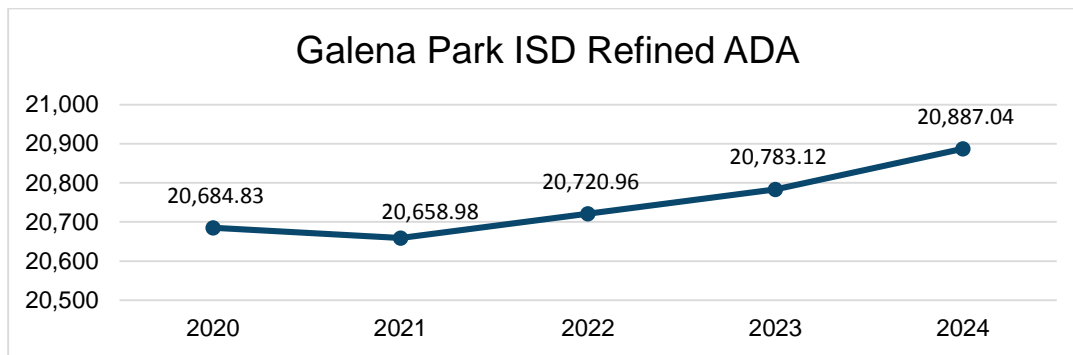
Student Enrollment

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.



| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|-------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Total Enrollment | 22,491 | 22,789 | 22,591 | 22,287 | 22,428 | 21,919 |

Attendance projections are estimates of student average daily attendance by program or instructional setting. The District reports pupil projections to the Texas Education Agency (TEA) each biennium; a template provided by the Agency is used to guide these projections. Enrollment is projected by grade by fitting a trend line to the historical data using the least squares method and using the trend to project future enrollment. ADA is estimated from projected enrollment. TEA develops these projections provided by the state's school districts and provides them to the Texas Legislature by March 1st 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:

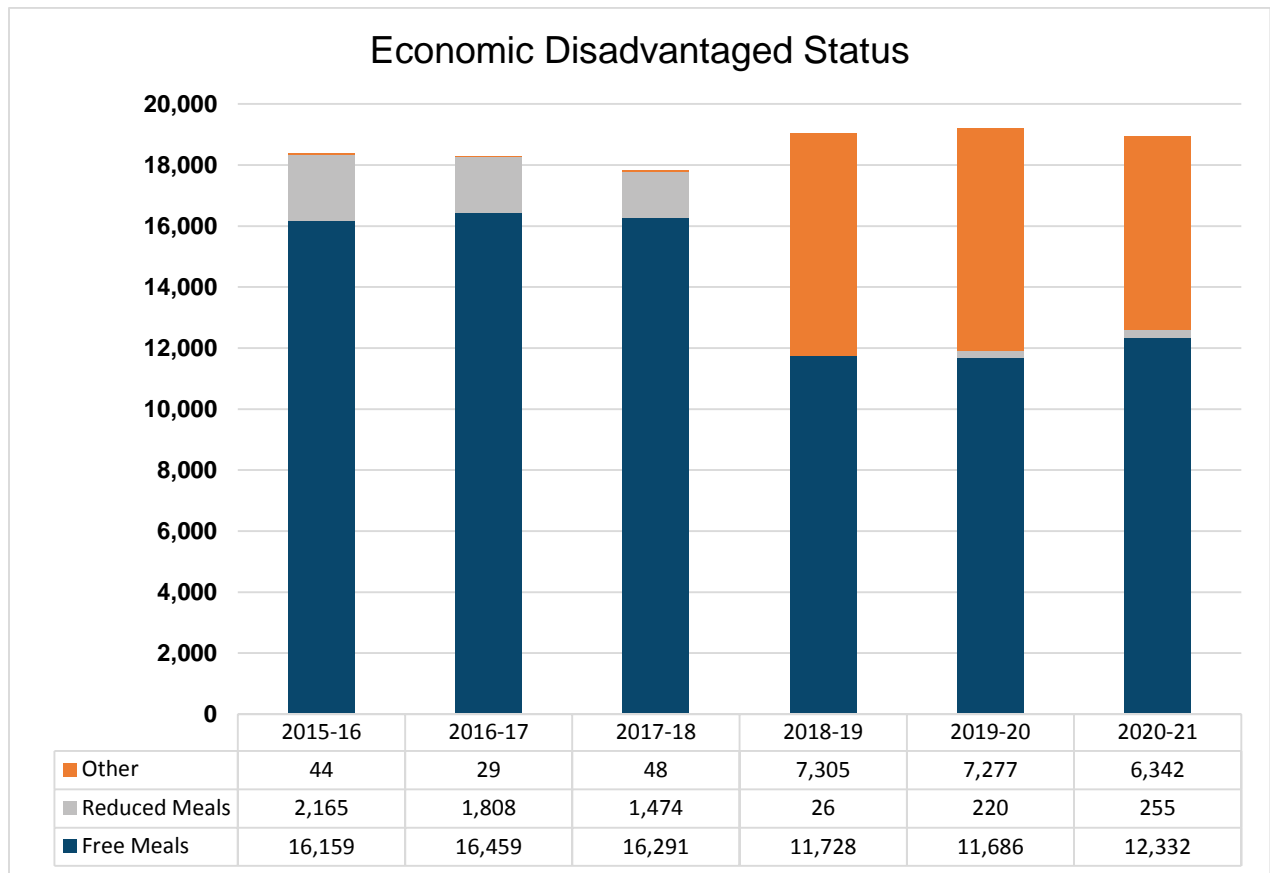
- describes the FSP eligibility requirements for all students
- prescribes the minimum standards for all attendance accounting systems
- lists the documentation requirements for attendance audit purposes
- details the responsibilities of all district personnel involved in student attendance accounting

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 85% of the District’s student population is classified as Economic Disadvantaged, either through eligibility to participate in the NSLP or other qualifying status.

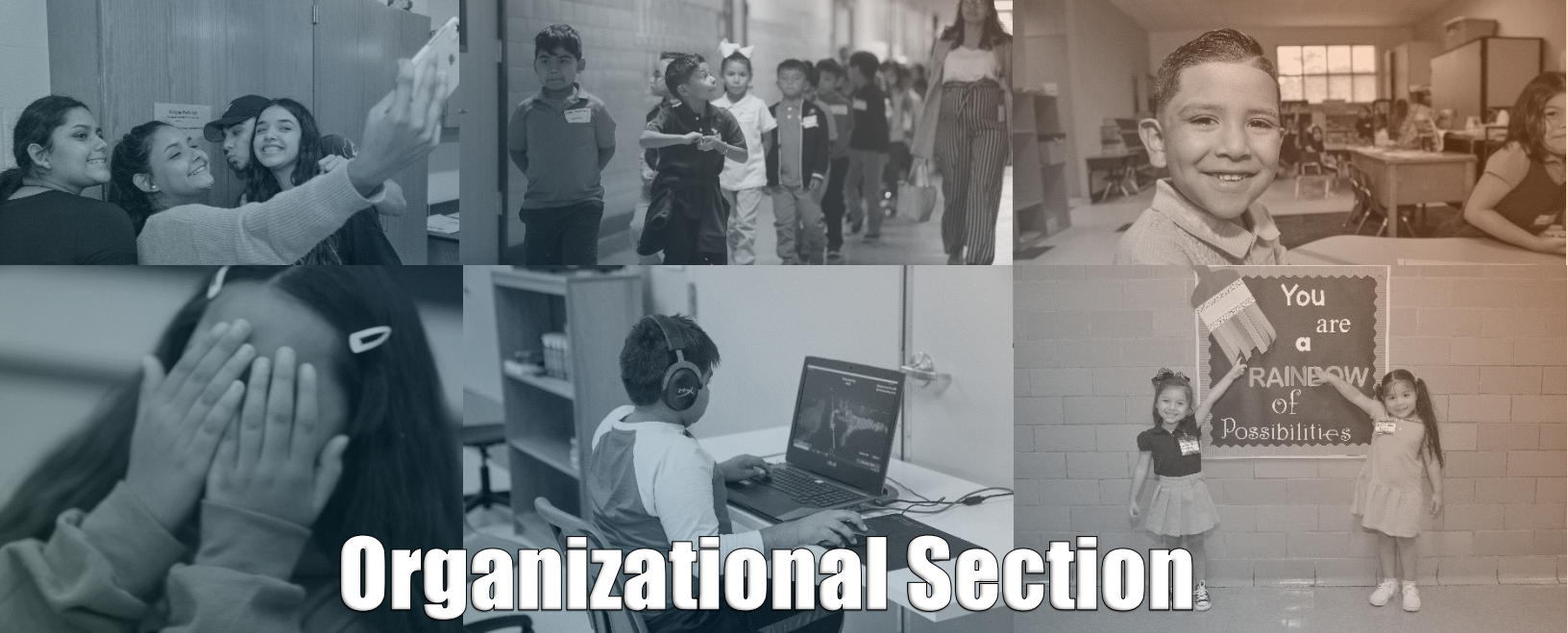


For the 2018-19 school year, Galena Park ISD implemented a new option available to schools participating in the National School Lunch and School Breakfast Programs called the Community Eligibility Provision (CEP). Participating schools in the CEP are able to provide healthy breakfasts and lunches each day at no charge for ALL students enrolled in the CEP schools. Parents with students at eligible schools will not have to complete an application for school meals. Since no NSLP application is required, the

District developed a Household Income Survey to be completed by parents during the registration process; data from these surveys, as well as information provided by the Texas Department of Agriculture, is used to determine a student's Economically Disadvantaged qualifying status.



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Organizational Section



Galena Park ISD

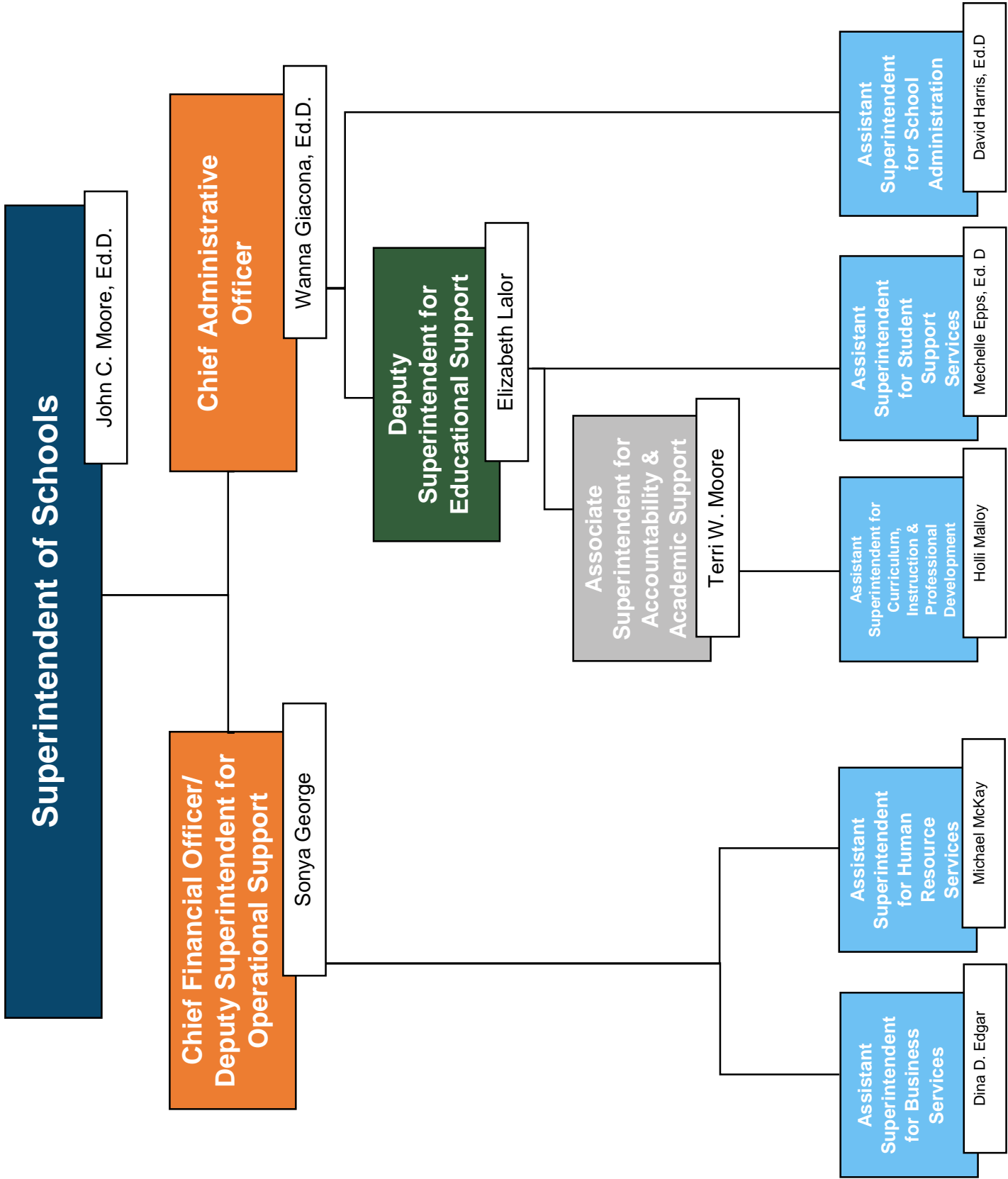
Board of Trustees



First Row: Jeff Miller, Vice President; Ramon Garza, President; Adrian Stephens, Secretary
Second Row: Wilfred J. Broussard, Board Trustee; Norma Hernandez, Board Trustee, Wanda Heath Johnson, Board Trustee; Noe Esparza, Board Trustee

These are the active Board members as of August 31, 2020. To comply with federal, state and local recommendations concerning the size of public gatherings and promote conscientious health choices related to COVID-19, the Trustee Election was postponed from May 2, 2020 to November 3, 2020. Results of this election had not been certified at the time of publication.

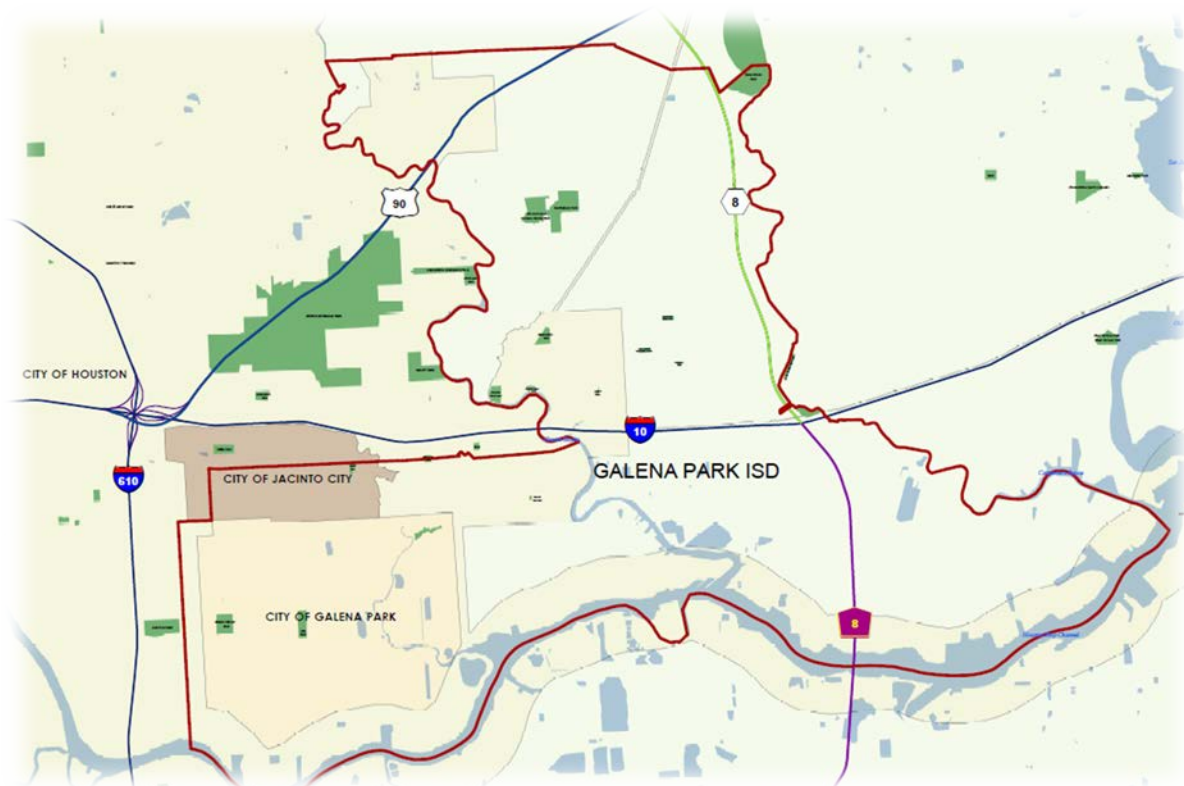
Organizational Chart 2020-21



General Information

When Ezekiel Thomas died, one thousand acres of his property was sold at public auction to Isaac Batterson, who settled on the land and named the settlement Clinton, after his former home in New York. In 1928, construction of the new high school (which was the old Galena Park Middle School) was completed, and E. Lunsford became Principal. It was also in 1928, on April 13th, that a group of citizens met and officially changed the name of the town from Clinton to Galena Park after the Galena Signal Oil Company, one of the town's leading industries. The change was made because the United States Post Office Department rejected the earlier name since there was already a post office at Clinton, Texas, in Hunt County.

Galena Park Independent School District was established in 1930 with G. P. Smith serving as Superintendent. He was followed by J. C. Ingram, W. E. Driskill, Dr. Walton Hinds, W. C. Cunningham, Dr. Gerald D. Cobb, Dr. Don W. Hooper, Dr. Shirley J. Neeley, Dr. Mark Henry, and Dr. Angi Williams. Dr. John Moore is currently serving as Superintendent.



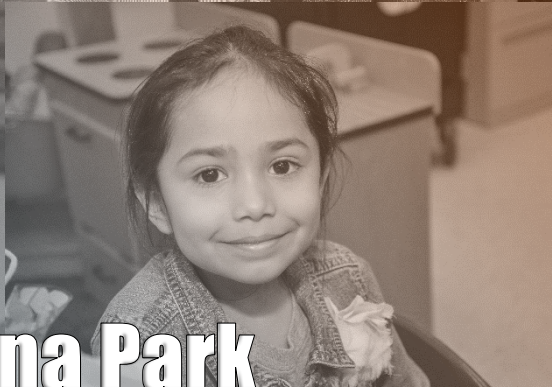
Galena Park Independent School District physical Boundaries

GPISD comprises 39 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. 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 sophomore center, one freshman center, four middle schools, one 6th grade campus, fifteen elementary schools, and one alternative education campus providing services for 21,919 students. In addition to the regular education program, the District offers comprehensive programs in the areas of bilingual education, English as a Second Language (ESL), advanced placement classes, pre-advanced placement classes, dual credit, gifted and talented, special education, Career and Technical Education (CTE), tutorials and alternative educational programs as well as a CTE Early College High School program. The following dropout recovery programs are also available to help our students: Pregnancy Related Services and PEP child care, Accelerated Center for Education, Night School 21st Century Community Learning Centers, and the Optional Flexible School Day Program. In addition, the District takes great pride in outstanding fine arts, FFA, athletic, academic UIL, LOTC and AFJROTC programs. Several award-winning programs have been recognized at the district, regional and state levels.

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>



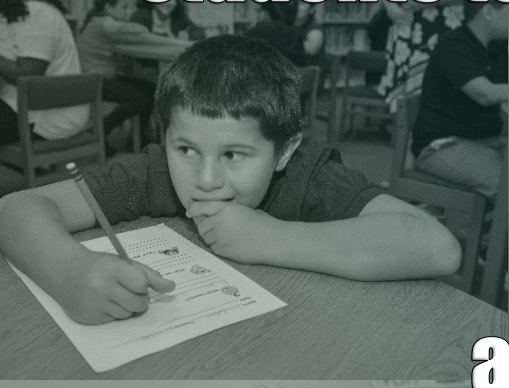
The Mission of the Galena Park



Independent School District is to prepare



students to become productive citizens



and lifelong learners.



Campus Leadership

Galena Park High School

| | |
|---------------------|------------------------|
| Principal | Dr. Kim Martin |
| Associate Principal | Juan Ramirez |
| Associate Principal | Sarah Castillo |
| Associate Principal | Lemind Mitchell |
| Assistant Principal | Howard Cook |
| Assistant Principal | Christina Moore |
| Assistant Principal | Shelley Paquette-Gomez |

Serves Grades 9-12

Student Enrollment: 1,876

North Shore Senior High School, 9th Grade Center

| | |
|---------------------|---------------|
| Principal | David Pierson |
| Associate Principal | Barika Noris |
| Associate Principal | Dayne Robins |
| Assistant Principal | Chris Johnson |
| Assistant Principal | Ruby Bonilla |

Serves Grades 9

Student Enrollment: 1,100

North Shore Senior High School, 10th Grade Center

| | |
|---------------------|--------------------|
| Principal | Kenneth Bryant |
| Associate Principal | Deborah Hensarling |
| Associate Principal | Erik Esparza |
| Assistant Principal | Jaremy Sanders |

Serves Grades 10

Student Enrollment: 1,167

North Shore Senior High School

| | |
|--------------------------|---------------------|
| Principal | Dr. Joe Coleman |
| Deputy Principal | Dr. Wiley Johnson |
| Associate Principal | Jillian Howard |
| Associate Principal | Dr. Ostrova McGary |
| Associate Principal | Amelie Sanchez |
| Lead Assistant Principal | Christopher Griffin |
| Lead Assistant Principal | Dr. Mack Eagleton |
| Assistant Principal | Scott Merry |
| Assistant Principal | Gaye Don Minchew |

Serves Grades 11-12

Student Enrollment: 2,337

Early College High School

| | |
|---------------------|---------------------|
| Principal | Dr. Jeff Hutchison |
| Assistant Principal | Dr. Ashley Sherrard |

Serves Grades 9-12

Student Enrollment: 477



Cobb 6th Grade

| | |
|---------------------|---------------------|
| Principal | Adrian Hurtado |
| Assistant Principal | Matthew Day |
| Assistant Principal | Melissa Arneaud |
| Assistant Principal | Veronica Montemayor |

Serves Grade 6

Student Enrollment: 1,153

Galena Park Middle

| | |
|---------------------|----------------|
| Principal | Lee Ramirez |
| Assistant Principal | Margo Kelly |
| Assistant Principal | Oliver Perrett |
| Assistant Principal | Elizabeth Nava |

Serves Grades 6-8

Student Enrollment: 1,081

North Shore Middle

| | |
|---------------------|--------------------|
| Principal | Dr. Chris Eckford |
| Assistant Principal | Diana Mendieta |
| Assistant Principal | Yeri Villalobos |
| Assistant Principal | Bartholomew Graves |
| Assistant Principal | Keith Skiles |

Serves Grades 7-8

Student Enrollment: 1,380

Cunningham Middle

| | |
|---------------------|----------------|
| Principal | Shaunte Morris |
| Assistant Principal | Nicole Newsome |
| Assistant Principal | Corey Roberts |
| Assistant Principal | James Hair |

Serves Grades 7-8

Student Enrollment: 977

Woodland Acres Middle

| | |
|---------------------|---------------------|
| Principal | Manuel Escalante |
| Assistant Principal | Diego Merino |
| Assistant Principal | Lakeisha Washington |

Serves Grades 6-8

Student Enrollment: 568

Cimarron Elementary

Principal Janie Jimenez
Assistant Principal Veronica Garza
Serves Grades Pre-Kindergarten-5
Student Enrollment: 724

Cloverleaf Elementary

Principal Lee Brown
Assistant Principal Angeles Rosales
Assistant Principal Steve Alley
Serves Grades Pre-Kindergarten-5
Student Enrollment: 769

Galena Park Elementary

Principal Jaime Rocha
Assistant Principal Laurie Crockett
Serves Grades Pre-Kindergarten-5
Student Enrollment: 574

Green Valley Elementary

Principal Grace Devost
Assistant Principal Katricia Johnson
Serves Grades Pre-Kindergarten-5
Student Enrollment: 620

Havard Elementary

Principal Dr. Lisa Hamblen
Assistant Principal Karen Bernal
Serves Grades Pre-Kindergarten-5
Student Enrollment: 607

Jacinto City Elementary

Principal Rebecca Gardea
Assistant Principal Cecilia Meza
Serves Grades Pre-Kindergarten-5
Student Enrollment: 685

MacArthur Elementary

Principal Maria Munoz
Assistant Principal John Killough
Serves Grades Pre-Kindergarten-5
Student Enrollment: 630

Normandy Crossing Elementary

Principal Irene Benzor
Assistant Principal Ashleigh Barrett
Assistant Principal Dr. Brian Keil
Serves Grades Pre-Kindergarten-5
Student Enrollment: 607

North Shore Elementary

Principal Esmeralda Perez
Assistant Principal Victoria Garcia-Hernandez
Assistant Principal Kimberly Wells
Serves Grades Pre-Kindergarten-5
Student Enrollment: 969

Purple Sage Elementary

Principal Wendy McGee
Assistant Principal Aaron Field
Serves Grades Pre-Kindergarten-5
Student Enrollment: 544

Pyburn Elementary

Principal Conrad Rivera
Assistant Principal Angelica Cuellar
Serves Grades Pre-Kindergarten-5
Student Enrollment: 554

Sam Houston Elementary

Principal Michelle Cavazos
Assistant Principal Hilda Nanez
Assistant Principal Sandra Rendon
Serves Grades Pre-Kindergarten-5
Student Enrollment: 737

Tice Elementary

Principal Toshia Gouard
Assistant Principal Stephen Gonzales
Serves Grades Pre-Kindergarten-5
Student Enrollment: 655

Shirley J. Williamson Elementary

Principal Dr. Jonathan Sutton
Assistant Principal Alysia Chatman
Serves Grades Pre-Kindergarten-5
Student Enrollment: 659

Woodland Acres Elementary

| | |
|---------------------|------------------|
| Principal | Sandra Rodriguez |
| Assistant Principal | Alaide Zavala |

Serves Grades Pre-Kindergarten-5
Student Enrollment: 468

Joyce Zotz Education Center

| | |
|----------------------------|--------------------|
| Principal | Marcus Morrow |
| Deputy Principal | David Lovinggood |
| Associate Principal | Kresha Lane |
| Assistant Principal | Dr. Tanisha Rogers |
| Night School Administrator | TBA |

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

Note: Students participating in alternative programs continue enrollment at their home campus.

In addition to these above, there are eleven students included in Galena Park ISD's enrollment, attending alternative education programs operated by the Harris County Department of Education.



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's 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 2021, the District Improvement Plan is as follows:

- **Goal 1: The District will provide a safe, productive and healthy learning/working environment for students and staff.**
 - **Performance Objective 1:** Provide regular communication/recognition for students, parents, staff and campuses
 - **Performance Objective 2:** Teach safety practices and protocols to students and staff
 - **Performance Objective 3:** Implement a comprehensive health and wellness program
 - **Performance Objective 4:** Create a healthy environment so staff and students thrive and are productive
 - **Performance Objective 5:** Ensure our students and staff have 21st Century technology and equipment so performance is at a maximum

| | |
|-------------------------|--------------------------------|
| Budget Allocated | Compensation: \$ 16,163,800 |
| | Departmental: <u>7,962,500</u> |
| Total | \$ 24,126,300 |

- **Goal 2: The District will provide information and opportunities to assist students in preparing for college and careers.**
 - **Performance Objective 1:** Provide K-12 students with multiple college and career awareness opportunities
 - **Performance Objective 2:** Increase success rate of students achieving college and career readiness indicators
 - **Performance Objective 3:** Provide comprehensive counseling to students
 - **Performance Objective 4:** Increase number of students participating in Dual Credit
 - **Performance Objective 5:** Increase the number of Career and Technical Education certificates earned by students
 - **Performance Objective 6:** Establish clearly organized sequences of courses aligned to the Texas Education Agency's Programs of Studies

| | |
|-------------------------|--------------------------------|
| Budget Allocated | Compensation: \$ 13,670,800 |
| | Departmental: <u>1,447,300</u> |
| Total | \$ 15,118,100 |

- **Goal 3: The District will ensure student growth in the tested areas.**
 - **Performance Objective 1:** Meet or exceed the state average in all tested areas
 - **Performance Objective 2:** Provide instructional support through high quality curriculum and resources
 - **Performance Objective 3:** Build instructional capacity through coaching, professional development, and academies
 - **Performance Objective 4:** Provide technology support to all tested areas

| | |
|-------------------------|--------------------------------|
| Budget Allocated | Compensation: \$ 112,983,600 |
| | Departmental: <u>4,627,900</u> |
| Total | \$ 117,611,500 |

- **Goal 4: The District will ensure students are provided quality enrichment/extracurricular programs and encourage their participation.**
 - **Performance Objective 1:** Enhance the quality of fine arts programming
 - **Performance Objective 2:** Offer multiple enrichment and extra-curricular opportunities available for students
 - **Performance Objective 3:** Provide all elementary students with PE, Music, and Art weekly
 - **Performance Objective 4:** Offer a wide variety of extracurricular student clubs
 - **Performance Objective 5:** Introduce students to fitness and life activities through physical education courses and programs
 - **Performance Objective 6:** Continue to produce, support and recognize high quality athletic achievements by teams and individuals

| | |
|-------------------------|--------------------------------|
| Budget Allocated | Compensation: \$ 2,166,300 |
| | Departmental: <u>1,719,900</u> |
| Total | \$ 3,886,200 |

- **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 staff attendance

| | |
|-------------------------|--------------------------------|
| Budget Allocated | Compensation: \$ 14,031,000 |
| | Departmental: <u>1,077,300</u> |
| Total | \$ 15,108,300 |

- **Goal 6: The District will provide opportunities for parental/community involvement and business partnership.**
 - **Performance Objective 1:** Enhance the relationship between the District and its partners
 - **Performance Objective 2:** Ensure 100% of campuses provide parental involvement opportunities
 - **Performance Objective 3:** Provide multiple communication channels with parents, students and the community
 - **Performance Objective 4:** Maintain compliance with all Title I Parent Involvement requirements
 - **Performance Objective 5:** Create a system to monitor our business partners

| | | |
|-------------------------|----------------------------|---------------------|
| Budget Allocated | Compensation: \$ 1,727,000 | |
| | Departmental: 529,800 | |
| | Total | \$ 2,256,800 |

- **Goal 7: The District will ensure high quality staff is employed.**
 - **Performance Objective 1:** Ensure all employees are provided professional development to increase and support job performance and staff retention
 - **Performance Objective 2:** Provide enhanced leadership development for employees
 - **Performance Objective 3:** GPISD will continue to utilize new teacher training, via Human Resources on-boarding and the GPISD New Teacher Academy, to introduce new staff to district culture, goals, and programs
 - **Performance Objective 4:** Recruit and retain highly qualified staff

| | | |
|-------------------------|-----------------------------|----------------------|
| Budget Allocated | Compensation: \$ 24,315,600 | |
| | Departmental: 418,600 | |
| | Total | \$ 24,734,200 |

- **Goal 8: The District will provide superior operational services to best support students and staff success.**
 - **Performance Objective 1:** Evaluate current assets and develop a plan to repair and/or replace equipment in a timely manner
 - **Performance Objective 2:** Achieve high customer satisfaction by providing excellent customer service to both internal and external customers
 - **Performance Objective 3:** Ensure an efficient and effective use of District resources, in order to best support students and staff

| | | |
|-------------------------|-----------------------------|----------------------|
| Budget Allocated | Compensation: \$ 22,878,400 | |
| | Departmental: 22,997,200 | |
| | Total | \$ 45,875,600 |

The District uses a uniform account code structure to report budget and actual financial data to the Texas Education Agency (TEA). Campus and department management within the District utilize the same structure to associate budgeted expenditures to the District Improvement Plan.

More information about the account code structure can be found in the Classification of Revenues and Expenditures section on page 55.



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 Board of 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 basis 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 from 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
- Allocation of resources is 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 \$105 |
| 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 20th for the September 1st 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
- 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 over 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 Services department 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.

Capital Projects

Capital Projects Funds are used to account for the proceeds of general obligation bonds and related interest earnings and the expenditure of these funds for construction and equipping of new school facilities, to purchase school or support facility sites, and renovations or repair of existing facilities. The Board of Trustees does not formally adopt the Capital Projects Fund budget annually. These budgets are prepared on a project basis, based on the proceeds available from bond issues and planned expenditures outlined in applicable bond ordinances. Capital Projects Fund equity is re-appropriated in each year's budget until all available funds for acquisition and construction of facilities are utilized. Each major construction contract is approved based on the existing availability of bond proceeds and/or approved but unissued bonds. However, the impact of the Capital Projects Fund budget must be considered during development of the annual budgets for all other funds. Future operating costs (staffing, utilities, etc.) associated with capital improvements and new facilities must be projected and included in the General Fund budget. Repayment of bonds issued for capital projects must be included in Debt Service Fund projections.

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 goods and/or services 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.

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

Board Policy CE (LOCAL) Annual Operating Budget, Issued April 14, 2014

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 Public Educational Information Management System (PEIMS) Fall 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 2019-20 was \$238,566,610, with the 2020-21 budget conservatively anticipating \$241,200,489.

Revenue from local property taxes make up approximately 47% of the District's revenue, and property values in the area have been steadily increasing over the past years. Property taxes accounted for \$107,590,735 of the District's total General Fund revenue for fiscal year 2019-20.

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 \$103,483,843 of the District's total revenue for fiscal year 2019-20.

Education is a very labor-intensive process, and the budget reflects this by allocating approximately 80% to payroll expenditures annually. For fiscal year 2019-20, \$181,503,467 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 2019-20 was \$31,696,520, with \$30,997,633 coming from property tax payments.

All principal and interest payments are due February 15th and August 15th of each year. In fiscal year 2019-20, the District paid \$14,886,608 in bond principal and \$17,363,092 in interest.

Total outstanding debt as of August 31st, 2020 is \$623,814,681.

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 2019-20 was \$13,867,372 with the 2020-21 budget anticipating \$17,738,000.

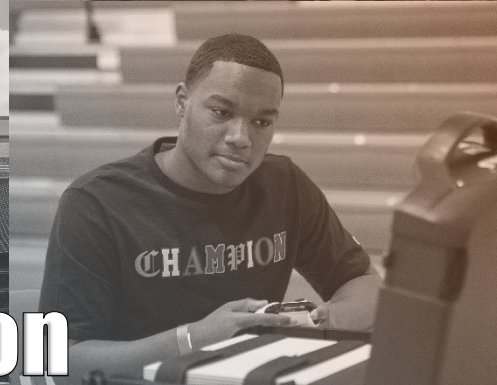
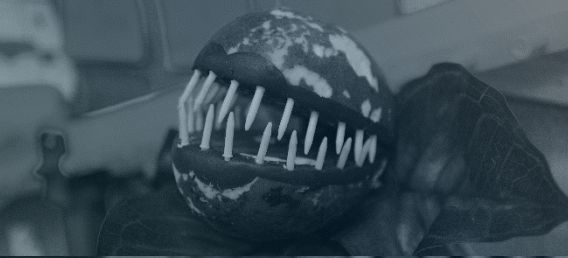
Federal revenue is received from the U.S. Department of Agriculture under the National School Lunch Program (NSLP) and National School Breakfast Program (NSBP). A total of \$11,761,094 was received through these programs for fiscal year 2019-20. NSLP and NSBP eligibility is based on federal poverty guidelines. 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 2019-20, \$649,531 of the total revenues were collected by this method.

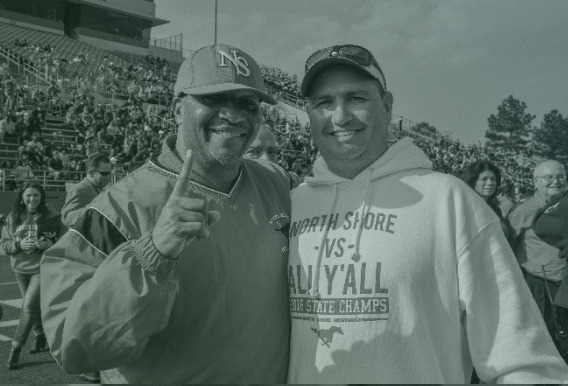
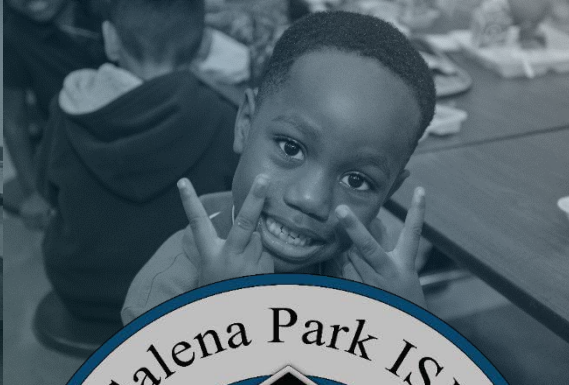
The two largest expenses accounted for in the Food Service fund are payroll and food costs, comprised of \$6,902,865 and \$5,222,450 (respectively) for fiscal year 2019-20.



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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 93% 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, 97.80% for 2019-20. Of the remainder of the Debt Service revenue, 1.31% is from interest income derived from temporary investments, and 0.89% from State program revenues for 2019-20. For additional information, see the Debt Service Fund section of this book.

Food Service

Approximately 94% 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.

2020-21 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 | \$ 114,781,000 | 47.59% | \$ 33,601,000 | 100.00% | \$ 447,000 | 2.52% | \$ 148,829,000 | 50.87% |
| State | 123,366,489 | 51.15% | - | 0.00% | 74,000 | 0.42% | 123,440,489 | 42.20% |
| Federal | 3,053,000 | 1.27% | - | 0.00% | 17,217,000 | 97.06% | 20,270,000 | 6.93% |
| Total Revenue | \$ 241,200,489 | 100.00% | \$ 33,601,000 | 100.00% | \$ 17,738,000 | 100.00% | \$ 292,539,489 | 100.00% |
| | Expenditures | % of Total | Expenditures | % of Total | Expenditures | % of Total | Expenditures | % of Total |
| Payroll Costs | \$ 210,159,467 | 84.50% | \$ - | 0.00% | \$ 7,109,496 | 40.08% | \$ 217,268,963 | 72.41% |
| Contracted Services | 17,481,495 | 7.03% | - | 0.00% | 252,800 | 1.43% | 17,734,295 | 5.91% |
| Supplies & Materials | 12,823,223 | 5.16% | - | 0.00% | 10,231,849 | 57.68% | 23,055,072 | 7.68% |
| Other Operating Costs | 6,544,048 | 2.63% | - | 0.00% | 44,855 | 0.25% | 6,588,903 | 2.20% |
| Debt Service | - | 0.00% | 33,601,000 | 100.00% | - | 0.00% | 33,601,000 | 11.20% |
| Capital Outlay | 1,708,767 | 0.69% | - | 0.00% | 99,000 | 0.56% | 1,807,767 | 0.60% |
| Total Expenditure | \$ 248,717,000 | 100.00% | \$ 33,601,000 | 100.00% | \$ 17,738,000 | 100.00% | \$ 300,056,000 | 100.00% |
| Budget Deficit/Surplus | \$ (7,516,511) | | \$ - | | \$ - | | \$ (7,516,511) | |
| Beginning Fund Balance | \$ 177,578,377 | | \$ 9,888,038 | | \$ 3,604,451 | | \$ 191,070,866 | |
| Projected Ending Fund Balance 08/31/2021 | \$ 170,061,866 | | \$ 9,888,038 | | \$ 3,604,451 | | \$ 183,554,355 | |



**Galena Park Independent School District
Combined Actual Revenues and Expenses
General Fund, Debt Service and Food Service**

| | | 2016-17 Audited | | 2017-18 Audited | | 2018-19 Audited | | 2019-20 Unaudited | |
|--|------|-----------------------|------------------|-----------------------|------------------|-----------------------|------------------|-----------------------|------------------|
| Enrollment: | | 22,784 | | 22,591 | | 22,289 | | 22,428 | |
| Revenues | | | | | | | | | |
| <u>Major Object</u> | | Per Student: | | Per Student: | | Per Student: | | Per Student: | |
| Local Sources | 5700 | \$ 131,158,096 | \$ 5,757 | \$ 133,922,974 | \$ 5,928 | \$ 142,544,913 | \$ 6,395 | \$ 143,883,188 | \$ 6,415 |
| State Sources | 5800 | 103,498,279 | 4,543 | 105,480,058 | 4,669 | 108,376,488 | 4,862 | 122,404,723 | 5,458 |
| Federal Sources | 5900 | 14,906,627 | 654 | 18,130,317 | 803 | 22,660,360 | 1,017 | 17,842,591 | 796 |
| Transfers In | 7000 | - | - | - | - | - | - | - | - |
| Total Revenues | | \$ 249,563,002 | \$ 11,056 | \$ 257,533,349 | \$ 11,409 | \$ 273,581,761 | \$ 12,120 | \$ 284,130,502 | \$ 12,588 |
| Expenses | | | | | | | | | |
| <u>Function</u> | | | | | | | | | |
| Instruction | 11 | \$ 113,171,760 | \$ 4,967 | \$ 115,986,516 | \$ 5,134 | \$ 115,506,266 | \$ 5,182 | \$ 118,862,517 | \$ 5,300 |
| Instructional Resources & Media Services | 12 | 2,425,513 | 106 | 2,491,641 | 110 | 2,462,602 | 110 | 2,362,141 | 105 |
| Curriculum & Staff Development | 13 | 2,688,329 | 118 | 2,695,463 | 119 | 4,447,989 | 200 | 4,248,772 | 189 |
| Instructional Leadership | 21 | 5,305,626 | 233 | 5,714,129 | 253 | 5,905,690 | 265 | 6,397,613 | 285 |
| School Leadership | 23 | 13,755,434 | 604 | 14,617,490 | 647 | 15,304,401 | 687 | 16,220,238 | 723 |
| Guidance, Counseling & Evaluation | 31 | 6,925,027 | 304 | 7,287,911 | 323 | 7,320,474 | 328 | 7,826,501 | 349 |
| Social Work Services | 32 | 693,915 | 30 | 503,214 | 22 | 525,094 | 24 | 592,562 | 26 |
| Health Services | 33 | 1,660,071 | 73 | 1,625,495 | 72 | 1,725,193 | 77 | 1,924,922 | 86 |
| Student Transportation | 34 | 9,599,197 | 421 | 8,490,837 | 376 | 7,975,618 | 358 | 9,263,597 | 413 |
| Food Services | 35 | 13,250,802 | 582 | 15,075,073 | 667 | 15,651,622 | 702 | 14,481,568 | 646 |
| Cocurricular/Extracurricular Activities | 36 | 4,062,026 | 178 | 4,037,071 | 179 | 4,050,165 | 182 | 3,864,974 | 172 |
| General Administration | 41 | 8,280,820 | 363 | 8,298,551 | 367 | 8,911,109 | 400 | 9,310,097 | 415 |
| Plant Maintenance & Operations | 51 | 24,025,208 | 1,054 | 25,992,713 | 1,151 | 27,138,417 | 1,218 | 30,765,883 | 1,372 |
| Security & Monitoring Services | 52 | 2,480,503 | 109 | 2,564,646 | 114 | 2,999,075 | 135 | 3,980,014 | 177 |
| Data Processing Services | 53 | 3,530,105 | 155 | 3,918,290 | 173 | 3,720,747 | 167 | 5,124,228 | 228 |
| Community Services | 61 | 865,132 | 38 | 891,407 | 39 | 956,110 | 43 | 1,444,558 | 64 |
| Debt Service | 71 | 60,354,359 | 2,649 | 40,052,618 | 1,773 | 30,241,456 | 1,357 | 32,750,963 | 1,460 |
| Facilities Acquisition/Construction | 81 | 1,878,867 | 82 | 2,955,509 | 131 | 3,911,839 | 176 | 3,909,680 | 174 |
| Other Intergovernmental Charges | 99 | 937,503 | 41 | 936,346 | 41 | 978,581 | 44 | 1,043,300 | 47 |
| Total Expenses | | \$ 275,890,197 | \$ 12,223 | \$ 264,134,920 | \$ 11,702 | \$ 259,732,448 | \$ 11,507 | \$ 274,374,127 | \$ 12,156 |
| <u>Major Object</u> | | | | | | | | | |
| Payroll Costs | 6100 | \$ 174,089,239 | \$ 7,641 | \$ 179,101,247 | \$ 7,928 | \$ 184,511,278 | \$ 8,278 | \$ 188,406,331 | \$ 8,400 |
| Professional & Contracted Services | 6200 | 17,298,940 | 759 | 18,598,992 | 823 | 16,260,325 | 730 | 16,527,780 | 737 |
| Supplies & Materials | 6300 | 14,756,095 | 648 | 17,560,891 | 777 | 17,780,817 | 798 | 20,603,308 | 919 |
| Other Operating Costs | 6400 | 5,121,560 | 225 | 5,402,303 | 239 | 6,586,197 | 295 | 5,029,592 | 224 |
| Debt Service | 6500 | 60,354,359 | 2,649 | 40,052,618 | 1,773 | 30,241,456 | 1,357 | 32,750,963 | 1,460 |
| Capital Outlay - Land, Buildings, & Equip. | 6600 | 4,270,004 | 187 | 3,418,869 | 151 | 4,352,375 | 195 | 11,056,153 | 493 |
| | | \$ 275,890,197 | \$ 12,223 | \$ 264,134,920 | \$ 11,702 | \$ 259,732,448 | \$ 11,507 | \$ 274,374,127 | \$ 12,156 |
| Total Other Resources | 7900 | \$ 35,086,993 | | \$ 16,000,580 | | \$ 151,655 | | \$ 230,549 | |
| Fund Balance - Beginning | | \$ 149,306,720 | | \$ 157,683,964 | | \$ 167,082,974 | | \$ 181,083,942 | |
| Prior period adjustment | | (382,554) | | - | | - | | - | |
| Fund Balance - Ending | | \$ 157,683,964 | | \$ 167,082,974 | | \$ 181,082,974 | | \$ 191,070,866 | |

Notes: *Student Enrollment*

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

**Galena Park Independent School District
Combined Projected Revenues and Expenses
General Fund, Debt Service and Food Service**

| | | 2020-21 Budget | | 2021-22 Projected | | 2022-23 Projected | | 2023-24 Projected | |
|--|------|-----------------------|------------------|-----------------------|------------------|-----------------------|------------------|-----------------------|------------------|
| Enrollment: | | 21,919 | | 21,985 | | 22,051 | | 22,117 | |
| Revenues | | | | | | | | | |
| Major Object | | Per Student: | | Per Student: | | Per Student: | | Per Student: | |
| Local Sources | 5700 | \$ 148,829,000 | \$ 6,790 | \$ 149,322,597 | \$ 6,792 | \$ 150,674,972 | \$ 6,833 | \$ 151,745,251 | \$ 6,861 |
| State Sources | 5800 | 123,440,489 | 5,632 | 127,263,100 | 5,789 | 128,039,900 | 5,807 | 129,263,900 | 5,845 |
| Federal Sources | 5900 | 20,270,000 | 925 | 20,474,400 | 931 | 20,686,600 | 938 | 20,854,900 | 943 |
| Transfers In | 7000 | - | - | - | - | - | - | - | - |
| Total Revenues | | \$ 292,539,489 | \$ 13,346 | \$ 297,060,097 | \$ 13,512 | \$ 299,401,472 | \$ 13,578 | \$ 301,864,051 | \$ 13,649 |
| Expenses | | | | | | | | | |
| Function | | | | | | | | | |
| Instruction | 11 | \$ 138,027,000 | \$ 6,297 | \$ 135,841,500 | \$ 6,179 | \$ 137,195,200 | \$ 6,222 | \$ 138,567,400 | \$ 6,265 |
| Instructional Resources & Media Services | 12 | 2,653,000 | 121 | 2,611,000 | 119 | 2,637,000 | 120 | 2,663,400 | 120 |
| Curriculum & Staff Development | 13 | 4,719,000 | 215 | 4,644,300 | 211 | 4,690,600 | 213 | 4,737,500 | 214 |
| Instructional Leadership | 21 | 6,863,000 | 313 | 6,754,300 | 307 | 6,821,600 | 309 | 6,889,800 | 312 |
| School Leadership | 23 | 17,428,000 | 795 | 17,152,100 | 780 | 17,323,000 | 786 | 17,496,300 | 791 |
| Guidance, Counseling & Evaluation | 31 | 8,193,000 | 374 | 8,063,300 | 367 | 8,143,600 | 369 | 8,225,000 | 372 |
| Social Work Services | 32 | 686,000 | 31 | 675,100 | 31 | 681,900 | 31 | 688,700 | 31 |
| Health Services | 33 | 2,099,000 | 96 | 2,065,800 | 94 | 2,086,400 | 95 | 2,107,300 | 95 |
| Student Transportation | 34 | 10,852,000 | 495 | 10,680,200 | 486 | 10,786,600 | 489 | 10,894,500 | 493 |
| Food Services | 35 | 17,621,000 | 804 | 17,342,000 | 789 | 17,514,800 | 794 | 17,690,000 | 800 |
| Cocurricular/Extracurricular Activities | 36 | 4,157,000 | 190 | 4,091,200 | 186 | 4,132,000 | 187 | 4,173,300 | 189 |
| General Administration | 41 | 10,212,000 | 466 | 10,050,300 | 457 | 10,150,500 | 460 | 10,252,000 | 464 |
| Plant Maintenance & Operations | 51 | 29,547,000 | 1,348 | 29,079,200 | 1,323 | 29,369,000 | 1,332 | 29,662,700 | 1,341 |
| Security & Monitoring Services | 52 | 4,842,000 | 221 | 4,765,300 | 217 | 4,812,800 | 218 | 4,860,900 | 220 |
| Data Processing Services | 53 | 4,883,000 | 223 | 4,805,700 | 219 | 4,853,600 | 220 | 4,902,100 | 222 |
| Community Services | 61 | 1,555,000 | 71 | 1,530,400 | 70 | 1,545,600 | 70 | 1,561,100 | 71 |
| Debt Service | 71 | 33,601,000 | 1,533 | 34,489,000 | 1,569 | 35,372,300 | 1,604 | 35,372,800 | 1,599 |
| Facilities Acquisition/Construction | 81 | 1,006,000 | 46 | 990,100 | 45 | 999,900 | 45 | 1,009,900 | 46 |
| Other Intergovernmental Charges | 99 | 1,112,000 | 51 | 1,094,400 | 50 | 1,105,300 | 50 | 1,116,400 | 50 |
| Total Expenses | | \$ 300,056,000 | \$ 13,689 | \$ 296,725,200 | \$ 13,497 | \$ 300,221,700 | \$ 13,615 | \$ 302,871,100 | \$ 13,694 |
| Major Object | | | | | | | | | |
| Payroll Costs | 6100 | \$ 217,268,963 | \$ 9,912 | \$ 213,807,700 | \$ 9,725 | \$ 215,945,800 | \$ 9,793 | \$ 218,105,200 | \$ 9,861 |
| Professional & Contracted Services | 6200 | 17,734,295 | 809 | 17,789,200 | 809 | 17,844,400 | 809 | 17,899,800 | 809 |
| Supplies & Materials | 6300 | 23,055,072 | 1,052 | 22,228,000 | 1,011 | 22,628,600 | 1,026 | 23,037,800 | 1,042 |
| Other Operating Costs | 6400 | 6,588,903 | 301 | 6,688,000 | 304 | 6,788,500 | 308 | 6,890,500 | 312 |
| Debt Service | 6500 | 33,601,000 | 1,533 | 34,489,000 | 1,569 | 35,372,300 | 1,604 | 35,372,800 | 1,599 |
| Capital Outlay - Land, Buildings, & Equip. | 6600 | 1,807,767 | 82 | 1,723,300 | 78 | 1,642,100 | 74 | 1,565,000 | 71 |
| | | \$ 300,056,000 | \$ 13,689 | \$ 296,725,200 | \$ 13,497 | \$ 300,221,700 | \$ 13,615 | \$ 302,871,100 | \$ 13,694 |
| Total Other Resources | 7900 | \$ - | | \$ - | | \$ - | | \$ - | |
| Fund Balance - Beginning | | \$ 191,070,866 | | \$ 183,554,355 | | \$ 183,889,252 | | \$ 183,069,024 | |
| Prior period adjustment | | - | | - | | - | | - | |
| Fund Balance - Ending | | \$ 183,554,355 | | \$ 183,889,252 | | \$ 183,069,024 | | \$ 182,061,975 | |

Notes: Student Enrollment

Enrollment count is based on the PEIMS snapshot data, taken on the final Friday in October. Assumption is 0.3% annual increase.

Assumptions:

- *Property value growth of 1.5%
- *Taxable Values with 97.0% collection rate
- *Bond repayment schedule as of August 31, 2020
- *Large projected payroll increases for 2020-21 due to shifted school start dates and other COVID-19 related contingency items, which will not carry to future years.
- *The District has sufficient unassigned Fund Balance to cover projected deficits
- *HB3 provisions allow a district to reclaim enrichment pennies through a voter approved Tax Ratification Election (TRE)

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

| | | 2016-2017 Actuals (Audited) | 2017-2018 Actuals (Audited) | 2018-2019 Actuals (Audited) | 2019-2020 Actuals (Unaudited) | 2020-2021 Adopted Budget |
|-------------------------------|--|--------------------------------|--------------------------------|--------------------------------|----------------------------------|-----------------------------|
| REVENUES | | | | | | |
| LOCAL AND INTERMEDIATE | | | | | | |
| 5711 | Taxes Current Year Levy | \$ 99,251,373 | \$ 99,103,676 | \$ 104,581,604 | \$ 106,653,230 | \$ 110,465,950 |
| 5712 | Taxes, Prior Year | 230,263 | 1,080,113 | 1,136,452 | (62,094) | 650,000 |
| 5718 | P, I, & Other Tax Revenue - Tax Certificate | 180 | 170 | - | - | - |
| 5719 | Taxes, Prior Year | 939,099 | 931,217 | 1,073,528 | 999,600 | 800,000 |
| 5739 | Tuition And Fees From Local Sources | 181,474 | 213,670 | 225,488 | 392,256 | 175,000 |
| 5742 | Earnings From Investments | 1,454,166 | 2,893,219 | 4,403,860 | 2,934,345 | 2,100,000 |
| 5743 | Rent | 105,939 | 122,806 | 94,564 | 72,955 | 85,000 |
| 5744 | Gifts & Bequests | 20,980 | 99,576 | 61,032 | 44,331 | 50,000 |
| 5745 | Insurance Recovery | - | 765,027 | 49,837 | 51,613 | - |
| 5749 | Other Revenue From Local Sources | 523,211 | 343,343 | 478,909 | 382,480 | 200,000 |
| 5752 | Athletic Activities | 235,380 | 233,455 | 353,901 | 262,558 | 250,000 |
| 5755 | Enterprising Services Revenue | - | - | - | - | - |
| 5759 | Cocurricular, Enterprising Services & Activities | 6,635 | 5,550 | 5,315 | - | 5,050 |
| 5769 | Misc Rev. From Intermediate Sources | 14,322 | 14,556 | 13,179 | 9,640 | - |
| 5700 | Local and Intermediate Totals | <u>\$ 102,963,022</u> | <u>\$ 105,806,377</u> | <u>\$ 112,477,669</u> | <u>\$ 111,740,913</u> | <u>\$ 114,781,000</u> |
| STATE | | | | | | |
| 5811 | Per Capita Apportionment | \$ 8,202,430 | \$ 4,378,235 | \$ 10,161,308 | \$ 6,640,926 | \$ 8,274,582 |
| 5812 | Foundation School Program Act Ent | 85,840,648 | 90,716,034 | 87,169,752 | 103,483,843 | 102,243,622 |
| 5819 | Other Foundation School Program Act Ent | - | - | 814,977 | - | - |
| 5828 | State Program Revenues - Pre-K | 64,395 | - | - | - | - |
| 5829 | State Program Revenues | - | 16,686 | - | 189,286 | - |
| 5831 | TRS Care-On-Behalf Payments | 9,012,952 | 9,990,020 | 9,860,310 | 11,718,844 | 12,848,285 |
| 5839 | Other Revenue From TX Agencies | 4,200 | 2,800 | 2,800 | 15,071 | - |
| 5800 | State Totals | <u>\$ 103,124,625</u> | <u>\$ 105,103,775</u> | <u>\$ 108,009,147</u> | <u>\$ 122,047,970</u> | <u>\$ 123,366,489</u> |
| FEDERAL | | | | | | |
| 5919 | Federal Revenues Distributed | \$ 465,666 | \$ 446,922 | \$ 416,909 | \$ 550,701 | \$ 300,000 |
| 5921 | School Breakfast Program | 163,113 | 144,980 | 221,452 | 210,301 | - |
| 5922 | School Lunch Program | 572,336 | 307,275 | 420,648 | 397,857 | 250,000 |
| 5929 | Federal Revenues | 323,119 | 321,720 | 697,505 | 1,279,435 | 443,000 |
| 5931 | School Health & Related Services | 2,127,418 | 2,579,298 | 4,779,673 | 2,194,482 | 2,000,000 |
| 5932 | Medicade Adm Claiming Program | 56,744 | 130,151 | 67,098 | 48,668 | 60,000 |
| 5939 | Fed Revenue Other Than TEA | 2,635 | 208,195 | 65,917 | 95,282 | - |
| 5949 | Fed Revenue Dist From Fed Government | 1,753 | 1,013 | 35,774 | 1,000 | - |
| 5900 | Federal Totals | <u>\$ 3,712,784</u> | <u>\$ 4,139,554</u> | <u>\$ 6,704,976</u> | <u>\$ 4,777,727</u> | <u>\$ 3,053,000</u> |
| 5000 | TOTAL ALL REVENUES | <u>\$ 209,800,431</u> | <u>\$ 215,049,706</u> | <u>\$ 227,191,792</u> | <u>\$ 238,566,610</u> | <u>\$ 241,200,489</u> |

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

| | | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 |
|--|--------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | | Actuals (Audited) | Actuals (Audited) | Actuals (Audited) | Actuals (Unaudited) | Adopted Budget |
| EXPENDITURES | | | | | | |
| 11 INSTRUCTION | | | | | | |
| 6100 | Payroll Costs | \$ 108,204,939 | \$ 110,345,496 | \$ 110,184,731 | \$ 109,993,996 | \$ 133,203,232 |
| 6200 | Professional and Contracted Services | 1,177,108 | 1,271,851 | 1,448,525 | 1,522,863 | 1,784,988 |
| 6300 | Supplies and Materials | 3,339,299 | 3,995,005 | 3,442,435 | 7,002,816 | 2,613,123 |
| 6400 | Other Operating Costs | 422,524 | 374,164 | 420,750 | 305,673 | 425,657 |
| 6600 | Capital Outlay | 27,890 | - | 9,825 | 37,170 | - |
| Total Function 11 | | \$ 113,171,760 | \$ 115,986,516 | \$ 115,506,266 | \$ 118,862,517 | \$ 138,027,000 |
| 12 INSTRUCTIONAL RESOURCES AND MEDIA SERVICES | | | | | | |
| 6100 | Payroll Costs | \$ 2,239,338 | \$ 2,216,541 | \$ 2,202,846 | \$ 2,217,852 | \$ 2,429,522 |
| 6200 | Professional and Contracted Services | 19,637 | 22,821 | 19,205 | 23,601 | 21,707 |
| 6300 | Supplies and Materials | 160,778 | 246,765 | 231,622 | 117,801 | 194,286 |
| 6400 | Other Operating Costs | 5,760 | 5,514 | 3,814 | 2,886 | 7,485 |
| 6600 | Capital Outlay | - | - | 5,115 | - | - |
| Total Function 12 | | \$ 2,425,513 | \$ 2,491,641 | \$ 2,462,602 | \$ 2,362,141 | \$ 2,653,000 |
| 13 CURRICULUM AND INSTRUCTIONAL STAFF DEVELOPMENT | | | | | | |
| 6100 | Payroll Costs | \$ 2,226,985 | \$ 2,175,910 | \$ 3,915,471 | \$ 3,844,735 | \$ 4,090,543 |
| 6200 | Professional and Contracted Services | 124,008 | 137,048 | 72,021 | 116,517 | 192,021 |
| 6300 | Supplies and Materials | 126,374 | 172,310 | 200,523 | 194,223 | 193,553 |
| 6400 | Other Operating Costs | 210,962 | 210,195 | 259,974 | 93,297 | 242,883 |
| 6600 | Capital Outlay | - | - | - | - | - |
| Total Function 13 | | \$ 2,688,329 | \$ 2,695,463 | \$ 4,447,989 | \$ 4,248,772 | \$ 4,719,000 |
| 21 INSTRUCTIONAL LEADERSHIP | | | | | | |
| 6100 | Payroll Costs | \$ 4,776,204 | \$ 5,101,916 | \$ 5,124,930 | \$ 5,615,735 | \$ 5,857,247 |
| 6200 | Professional and Contracted Services | 87,169 | 86,130 | 82,175 | 129,519 | 144,002 |
| 6300 | Supplies and Materials | 200,339 | 258,521 | 434,811 | 478,194 | 498,766 |
| 6400 | Other Operating Costs | 241,914 | 267,562 | 263,774 | 174,165 | 362,985 |
| 6600 | Capital Outlay | - | - | - | - | - |
| Total Function 21 | | \$ 5,305,626 | \$ 5,714,129 | \$ 5,905,690 | \$ 6,397,613 | \$ 6,863,000 |
| 23 SCHOOL LEADERSHIP | | | | | | |
| 6100 | Payroll Costs | \$ 12,806,305 | \$ 13,612,778 | \$ 14,245,093 | \$ 15,371,018 | \$ 16,230,454 |
| 6200 | Professional and Contracted Services | 84,290 | 89,619 | 96,242 | 114,175 | 117,942 |
| 6300 | Supplies and Materials | 329,403 | 369,428 | 392,075 | 379,126 | 353,327 |
| 6400 | Other Operating Costs | 527,846 | 545,665 | 570,991 | 355,919 | 726,277 |
| 6600 | Capital Outlay | 7,590 | - | - | - | - |
| Total Function 23 | | \$ 13,755,434 | \$ 14,617,490 | \$ 15,304,401 | \$ 16,220,238 | \$ 17,428,000 |

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

| | | 2016-2017 Actuals (Audited) | 2017-2018 Actuals (Audited) | 2018-2019 Actuals (Audited) | 2019-2020 Actuals (Unaudited) | 2020-2021 Adopted Budget |
|---|--------------------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------------|-----------------------------|
| 31 GUIDANCE COUNSELING AND EVALUATION SERVICES | | | | | | |
| 6100 | Payroll Costs | \$ 6,641,977 | \$ 7,029,293 | \$ 7,047,779 | \$ 7,579,351 | \$ 7,931,380 |
| 6200 | Professional and Contracted Services | 46,028 | 22,200 | 6,812 | 49,469 | 24,360 |
| 6300 | Supplies and Materials | 219,555 | 205,502 | 209,546 | 178,443 | 199,087 |
| 6400 | Other Operating Costs | 17,467 | 30,916 | 32,543 | 19,238 | 38,173 |
| 6600 | Capital Outlay | - | - | 23,794 | - | - |
| Total Function 31 | | \$ 6,925,027 | \$ 7,287,911 | \$ 7,320,474 | \$ 7,826,501 | \$ 8,193,000 |
| 32 SOCIAL WORK SERVICES | | | | | | |
| 6100 | Payroll Costs | \$ 407,882 | \$ 395,752 | \$ 463,495 | \$ 537,558 | \$ 604,505 |
| 6200 | Professional and Contracted Services | 281,983 | 101,229 | 50,622 | 44,032 | 69,352 |
| 6300 | Supplies and Materials | 1,114 | 2,056 | 3,100 | 7,854 | 4,900 |
| 6400 | Other Operating Costs | 2,936 | 4,177 | 7,877 | 3,118 | 7,243 |
| 6600 | Capital Outlay | - | - | - | - | - |
| Total Function 32 | | \$ 693,915 | \$ 503,214 | \$ 525,094 | \$ 592,562 | \$ 686,000 |
| 33 HEALTH SERVICES | | | | | | |
| 6100 | Payroll Costs | \$ 1,601,422 | \$ 1,581,411 | \$ 1,676,704 | \$ 1,812,453 | \$ 2,029,427 |
| 6200 | Professional and Contracted Services | - | 1,250 | 2,241 | 3,732 | 1,180 |
| 6300 | Supplies and Materials | 48,707 | 31,643 | 35,902 | 98,893 | 56,043 |
| 6400 | Other Operating Costs | 9,942 | 11,191 | 10,346 | 9,844 | 12,350 |
| 6600 | Capital Outlay | - | - | - | - | - |
| Total Function 33 | | \$ 1,660,071 | \$ 1,625,495 | \$ 1,725,193 | \$ 1,924,922 | \$ 2,099,000 |
| 34 STUDENT TRANSPORTATION | | | | | | |
| 6100 | Payroll Costs | \$ 6,269,931 | \$ 6,533,199 | \$ 6,855,895 | \$ 6,803,553 | \$ 8,247,280 |
| 6200 | Professional and Contracted Services | 244,827 | 191,118 | 271,982 | 265,075 | 212,400 |
| 6300 | Supplies and Materials | 580,651 | 439,315 | 563,477 | 424,214 | 1,305,500 |
| 6400 | Other Operating Costs | 210,855 | 281,954 | 246,220 | 244,386 | 316,150 |
| 6600 | Capital Outlay | 2,292,933 | 1,045,251 | 38,044 | 1,526,370 | 770,670 |
| Total Function 34 | | \$ 9,599,197 | \$ 8,490,837 | \$ 7,975,618 | \$ 9,263,597 | \$ 10,852,000 |
| 35 FOOD SERVICES | | | | | | |
| 6100 | Payroll Costs | \$ 4,338 | \$ 3,279 | \$ - | \$ 276,892 | \$ 141,000 |
| 6600 | Capital Outlay | - | - | - | 10,425 | - |
| Total Function 35 | | \$ 4,338 | \$ 3,279 | \$ - | \$ 287,317 | \$ 141,000 |

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

| | | 2016-2017 Actuals (Audited) | 2017-2018 Actuals (Audited) | 2018-2019 Actuals (Audited) | 2019-2020 Actuals (Unaudited) | 2020-2021 Adopted Budget |
|---|--------------------------------------|--------------------------------|--------------------------------|--------------------------------|----------------------------------|-----------------------------|
| 36 COCURRICULAR/EXTRACURRICULAR ACTIVITIES | | | | | | |
| 6100 | Payroll Costs | \$ 2,294,704 | \$ 2,267,363 | \$ 2,275,399 | \$ 2,301,561 | \$ 2,568,460 |
| 6200 | Professional and Contracted Services | 247,225 | 260,716 | 293,777 | 253,931 | 298,635 |
| 6300 | Supplies and Materials | 477,201 | 493,849 | 471,102 | 550,681 | 479,939 |
| 6400 | Other Operating Costs | 883,057 | 912,601 | 968,621 | 758,802 | 809,966 |
| 6600 | Capital Outlay | 159,839 | 102,542 | 41,266 | - | - |
| Total Function 36 | | \$ 4,062,026 | \$ 4,037,071 | \$ 4,050,165 | \$ 3,864,974 | \$ 4,157,000 |
| 41 GENERAL ADMINISTRATION | | | | | | |
| 6100 | Payroll Costs | \$ 6,517,080 | \$ 6,458,584 | \$ 7,310,816 | \$ 7,485,722 | \$ 7,643,001 |
| 6200 | Professional and Contracted Services | 900,388 | 982,898 | 748,868 | 1,009,156 | 1,274,384 |
| 6300 | Supplies and Materials | 321,604 | 299,639 | 269,480 | 306,730 | 540,663 |
| 6400 | Other Operating Costs | 541,748 | 557,430 | 569,788 | 501,387 | 725,952 |
| 6600 | Capital Outlay | - | - | 12,157 | 7,100 | 28,000 |
| Total Function 41 | | \$ 8,280,820 | \$ 8,298,551 | \$ 8,911,109 | \$ 9,310,097 | \$ 10,212,000 |
| 51 PLANT MAINTENANCE AND OPERATION | | | | | | |
| 6100 | Payroll Costs | \$ 10,772,788 | \$ 11,087,967 | \$ 12,240,410 | \$ 12,952,072 | \$ 13,875,061 |
| 6200 | Professional and Contracted Services | 9,240,904 | 10,213,249 | 8,899,400 | 8,078,379 | 8,593,533 |
| 6300 | Supplies and Materials | 1,339,945 | 1,406,963 | 1,738,803 | 1,879,451 | 3,943,282 |
| 6400 | Other Operating Costs | 1,954,029 | 2,087,954 | 3,112,841 | 2,499,613 | 2,738,868 |
| 6600 | Capital Outlay | 476,690 | 938,377 | 902,280 | 5,106,641 | 138,256 |
| Total Function 51 | | \$ 23,784,356 | \$ 25,734,510 | \$ 26,893,734 | \$ 30,516,155 | \$ 29,289,000 |
| 52 SECURITY AND MONITORING SERVICES | | | | | | |
| 6100 | Payroll Costs | \$ 476,024 | \$ 501,534 | \$ 503,925 | \$ 603,247 | \$ 760,296 |
| 6200 | Professional and Contracted Services | 1,805,069 | 1,870,346 | 2,271,608 | 2,340,338 | 2,612,935 |
| 6300 | Supplies and Materials | 126,326 | 126,898 | 173,787 | 929,505 | 1,390,369 |
| 6400 | Other Operating Costs | 26,434 | 28,262 | 29,755 | 8,163 | 38,400 |
| 6600 | Capital Outlay | 46,650 | 37,606 | 20,000 | 98,761 | 40,000 |
| Total Function 52 | | \$ 2,480,503 | \$ 2,564,646 | \$ 2,999,075 | \$ 3,980,014 | \$ 4,842,000 |
| 53 DATA PROCESSING SERVICES | | | | | | |
| 6100 | Payroll Costs | \$ 1,977,361 | \$ 2,201,602 | \$ 2,361,992 | \$ 2,535,558 | \$ 2,956,707 |
| 6200 | Professional and Contracted Services | 754,780 | 881,583 | 782,507 | 1,231,871 | 989,198 |
| 6300 | Supplies and Materials | 513,206 | 720,702 | 536,348 | 702,765 | 421,300 |
| 6400 | Other Operating Costs | 19,106 | 19,032 | 16,037 | 6,078 | 33,954 |
| 6600 | Capital Outlay | 265,652 | 95,371 | 23,863 | 647,956 | 481,841 |
| Total Function 53 | | \$ 3,530,105 | \$ 3,918,290 | \$ 3,720,747 | \$ 5,124,228 | \$ 4,883,000 |

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

| | 2016-2017 Actuals (Audited) | 2017-2018 Actuals (Audited) | 2018-2019 Actuals (Audited) | 2019-2020 Actuals (Unaudited) | 2020-2021 Adopted Budget |
|---|--------------------------------|--------------------------------|--------------------------------|----------------------------------|-----------------------------|
| 61 COMMUNITY SERVICES | | | | | |
| 6100 Payroll Costs | \$ 793,793 | \$ 830,267 | \$ 893,135 | \$ 1,368,487 | \$ 1,376,771 |
| 6200 Professional and Contracted Services | 31,459 | 25,839 | 4,656 | 11,647 | 17,318 |
| 6300 Supplies and Materials | 23,221 | 15,522 | 22,265 | 32,493 | 117,085 |
| 6400 Other Operating Costs | 16,659 | 19,779 | 36,054 | 31,932 | 43,826 |
| 6600 Capital Outlay | - | - | - | - | - |
| Total Function 61 | \$ 865,132 | \$ 891,407 | \$ 956,110 | \$ 1,444,558 | \$ 1,555,000 |
| 71 DEBT SERVICE | | | | | |
| 6500 Debt Service | \$ 357,669 | \$ 357,669 | \$ 357,669 | \$ 355,390 | \$ - |
| Total Function 71 | \$ 357,669 | \$ 357,669 | \$ 357,669 | \$ 355,390 | \$ - |
| 81 FACILITIES ACQUISITION AND CONSTRUCTION | | | | | |
| 6100 Payroll Costs | \$ 190,483 | \$ 191,293 | \$ 196,434 | \$ 203,677 | \$ 214,581 |
| 6200 Professional and Contracted Services | 1,103,675 | 714,994 | 45,074 | 157,642 | 15,540 |
| 6300 Supplies and Materials | 38,896 | 405,679 | 405,983 | 46,058 | 512,000 |
| 6400 Other Operating Costs | 5,981 | 7,123 | 11,384 | 2,616 | 13,879 |
| 6600 Capital Outlay | 539,832 | 397,302 | 3,251,781 | 3,499,687 | 250,000 |
| Total Function 81 | \$ 1,878,867 | \$ 1,716,391 | \$ 3,910,656 | \$ 3,909,680 | \$ 1,006,000 |
| 99 INTERGOVERNMENTAL CHARGES | | | | | |
| 6200 Professional and Contracted Services | \$ 937,503 | \$ 936,346 | \$ 978,581 | \$ 1,043,300 | \$ 1,112,000 |
| Total Function 99 | \$ 937,503 | \$ 936,346 | \$ 978,581 | \$ 1,043,300 | \$ 1,112,000 |
| 6000 TOTAL ALL EXPENDITURES | \$ 202,406,191 | \$ 207,870,856 | \$ 213,951,173 | \$ 227,534,576 | \$ 248,717,000 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | \$ 7,394,240 | \$ 7,178,850 | \$ 13,240,619 | \$ 11,032,034 | \$ (7,516,511) |
| OTHER RESOURCES/NON-OPERATING RESOURCES | | | | | |
| 7911 Refunding Bonds Issued | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7912 Sale of Real or Personal Property | 86,812 | 125,203 | 127,633 | 73,160 | - |
| 7900 Total Other Resources | \$ 86,812 | \$ 125,203 | \$ 127,633 | \$ 73,160 | \$ - |
| Net Change in Fund Balance | \$ 7,481,052 | \$ 7,304,053 | \$ 13,368,252 | \$ 11,105,195 | \$ (7,516,511) |
| FUND BALANCES | | | | | |
| Beginning Fund Balance 09/01 | \$ 138,319,826 | \$ 145,800,878 | \$ 153,104,931 | \$ 166,473,183 | \$ 177,578,377 |
| Prior Period Adjustment | \$ - | \$ - | \$ - | \$ - | \$ - |
| Ending Fund Balance 08/31 | \$ 145,800,878 | \$ 153,104,931 | \$ 166,473,183 | \$ 177,578,377 | \$ 170,061,866 |

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

| | | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 |
|--|---|-------------------|-------------------|-------------------|---------------------|----------------|
| | | Actuals (Audited) | Actuals (Audited) | Actuals (Audited) | Actuals (Unaudited) | Adopted Budget |
| REVENUES | | | | | | |
| LOCAL AND INTERMEDIATE | | | | | | |
| 5711 | Taxes Current Year Levy | \$ 25,518,438 | \$ 25,478,168 | \$ 27,758,328 | \$ 30,828,683 | \$ 32,641,500 |
| 5712 | Taxes, Prior Year | 43,110 | 248,416 | 274,796 | (43,756) | 218,000 |
| 5719 | Taxes, Prior Year | 215,457 | 210,630 | 218,476 | 212,705 | 200,000 |
| 5742 | Earnings From Investments | 210,010 | 381,458 | 585,729 | 415,632 | 541,500 |
| 5700 | Local and Intermediate Totals | \$ 25,987,015 | \$ 26,318,672 | \$ 28,837,329 | \$ 31,413,265 | \$ 33,601,000 |
| STATE | | | | | | |
| 5829 | State Program Revenues | \$ 293,518 | \$ 297,857 | \$ 292,858 | \$ 283,255 | \$ - |
| 5800 | State Totals | \$ 293,518 | \$ 297,857 | \$ 292,858 | \$ 283,255 | \$ - |
| FEDERAL | | | | | | |
| 5919 | Federal Revenues Distributed | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5900 | Federal Totals | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5000 | TOTAL ALL REVENUES | \$ 26,280,533 | \$ 26,616,529 | \$ 29,130,187 | \$ 31,696,520 | \$ 33,601,000 |
| EXPENDITURES | | | | | | |
| 71 DEBT SERVICE | | | | | | |
| 6500 | Debt Service | 59,996,690 | 39,694,949 | 29,883,787 | 32,395,573 | 33,601,000 |
| | Total Function 71 | \$ 59,996,690 | \$ 39,694,949 | \$ 29,883,787 | \$ 32,395,573 | \$ 33,601,000 |
| 6000 | TOTAL ALL EXPENDITURES | \$ 59,996,690 | \$ 39,694,949 | \$ 29,883,787 | \$ 32,395,573 | \$ 33,601,000 |
| | Excess (Deficiency) of Revenues Over (Under) Expenditures | \$ (33,716,157) | \$ (13,078,420) | \$ (753,600) | \$ (699,053) | \$ - |
| OTHER RESOURCES/NON-OPERATING RESOURCES | | | | | | |
| 7911 | Refunding Bonds Issued | \$ 41,000,000 | \$ 14,880,000 | \$ - | \$ 14,850,000 | \$ - |
| 7916 | Premium or Discount on Issuance of Bonds | 7,203,977 | 963,564 | - | 1,546,886 | - |
| 8949 | Payment to Bond Refunding Escrow Agent | (13,213,931) | - | - | (16,252,175) | - |
| 7900 | Total Other Resources | \$ 34,990,046 | \$ 15,843,564 | \$ - | \$ 144,711 | \$ - |
| | Net Change in Fund Balance | \$ 1,273,889 | \$ 2,765,144 | \$ (753,600) | \$ (554,343) | \$ - |
| FUND BALANCES | | | | | | |
| | Beginning Fund Balance 09/01 | \$ 7,539,501 | \$ 8,430,836 | \$ 11,195,980 | \$ 10,442,380 | \$ 9,888,038 |
| | Prior Period Adjustment | \$ (382,554) | \$ - | \$ - | \$ - | \$ - |
| | Ending Fund Balance 08/31 | \$ 8,430,836 | \$ 11,195,980 | \$ 10,442,380 | \$ 9,888,038 | \$ 9,888,038 |

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

| | | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 |
|-------------------------------|--------------------------------------|-------------------|-------------------|-------------------|---------------------|----------------|
| | | Actuals (Audited) | Actuals (Audited) | Actuals (Audited) | Actuals (Unaudited) | Adopted Budget |
| REVENUES | | | | | | |
| LOCAL AND INTERMEDIATE | | | | | | |
| 5742 | Earnings From Investments | \$ 60,461 | \$ 76,809 | \$ 91,920 | \$ 63,143 | \$ 57,727 |
| 5744 | Gifts & Bequests | - | - | 1 | - | - |
| 5749 | Other Revenue From Local Sources | 13,010 | 496 | 54 | 16,336 | - |
| 5751 | Food Service Activity | 2,134,588 | 1,720,620 | 1,137,940 | 649,531 | 389,273 |
| 5700 | Local and Intermediate Totals | \$ 2,208,059 | \$ 1,797,925 | \$ 1,229,915 | \$ 729,010 | \$ 447,000 |
| STATE | | | | | | |
| 5829 | State Program Revenues | \$ 80,136 | \$ 78,426 | \$ 74,483 | \$ 73,498 | \$ 74,000 |
| 5800 | State Totals | \$ 80,136 | \$ 78,426 | \$ 74,483 | \$ 73,498 | \$ 74,000 |
| FEDERAL | | | | | | |
| 5921 | School Breakfast Program | \$ 2,249,389 | \$ 4,122,453 | \$ 5,153,264 | \$ 4,066,481 | \$ 5,520,545 |
| 5922 | School Lunch Program | 7,892,729 | 8,737,280 | 9,788,641 | 7,694,612 | 10,596,455 |
| 5923 | USDA Donated Commodities | 1,051,725 | 1,131,030 | 1,013,479 | 1,152,337 | 1,100,000 |
| 5927 | Federal Revenues Distributed by TEA | - | - | - | 128,247 | - |
| 5939 | Fed Revenue Other Than TEA | - | - | - | 23,186 | - |
| 5900 | Federal Totals | \$ 11,193,843 | \$ 13,990,763 | \$ 15,955,384 | \$ 13,064,864 | \$ 17,217,000 |
| 5000 | TOTAL ALL REVENUES | \$ 13,482,038 | \$ 15,867,114 | \$ 17,259,782 | \$ 13,867,372 | \$ 17,738,000 |
| EXPENDITURES | | | | | | |
| 35 FOOD SERVICES | | | | | | |
| 6100 | Payroll Costs | \$ 5,707,627 | \$ 6,384,502 | \$ 6,808,561 | \$ 6,698,326 | \$ 6,905,716 |
| 6200 | Professional and Contracted Services | 152,093 | 184,589 | 144,523 | 87,344 | 198,580 |
| 6300 | Supplies and Materials | 6,909,476 | 8,371,094 | 8,649,558 | 7,274,062 | 10,231,849 |
| 6400 | Other Operating Costs | 24,340 | 38,784 | 25,428 | 12,475 | 44,855 |
| 6600 | Capital Outlay | 452,928 | 92,825 | 23,552 | 122,044 | 99,000 |
| Total Function 35 | | \$ 13,246,464 | \$ 15,071,794 | \$ 15,651,622 | \$ 14,194,251 | \$ 17,480,000 |

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

| | 2016-2017 Actuals (Audited) | 2017-2018 Actuals (Audited) | 2018-2019 Actuals (Audited) | 2019-2020 Actuals (Unaudited) | 2020-2021 Adopted Budget |
|--|--------------------------------|--------------------------------|--------------------------------|----------------------------------|-----------------------------|
| 51 PLANT MAINTENANCE AND OPERATION | | | | | |
| 6100 Payroll Costs | \$ 180,058 | \$ 182,560 | \$ 203,662 | \$ 204,539 | \$ 203,780 |
| 6200 Professional and Contracted Services | 60,794 | 75,643 | 41,021 | 45,189 | 54,220 |
| 6300 Supplies and Materials | - | - | - | - | - |
| 6400 Other Operating Costs | - | - | - | - | - |
| 6600 Capital Outlay | - | - | - | - | - |
| Total Function 51 | \$ 240,852 | \$ 258,203 | \$ 244,683 | \$ 249,727 | \$ 258,000 |
| 81 Facilities Acquisition & Construction | | | | | |
| 6100 Payroll Costs | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6200 Professional and Contracted Services | - | 529,523 | 485 | - | - |
| 6300 Supplies and Materials | - | - | - | - | - |
| 6400 Other Operating Costs | - | - | - | - | - |
| 6600 Capital Outlay | - | 709,595 | 698 | - | - |
| Total Function 81 | \$ - | \$ 1,239,118 | \$ 1,183 | \$ - | \$ - |
| 6000 TOTAL ALL EXPENDITURES | \$ 13,487,316 | \$ 16,569,115 | \$ 15,897,488 | \$ 14,443,978 | \$ 17,738,000 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | \$ (5,278) | \$ (702,001) | \$ 1,362,294 | \$ (576,606) | \$ - |
| OTHER RESOURCES/NON-OPERATING RESOURCES | | | | | |
| 7912 Sale of Real or Personal Property | \$ 10,135 | \$ 31,814 | \$ 24,022 | \$ 12,678 | \$ - |
| 7900 Total Other Resources | \$ 10,135 | \$ 31,814 | \$ 24,022 | \$ 12,678 | \$ - |
| Net Change in Fund Balance | \$ 4,857 | \$ (670,187) | \$ 1,386,316 | \$ (563,928) | \$ - |
| FUND BALANCES | | | | | |
| Beginning Fund Balance 09/01 | \$ 3,447,393 | \$ 3,452,250 | \$ 2,782,063 | \$ 4,168,379 | \$ 3,604,451 |
| Prior Period Adjustment | | | | | |
| Ending Fund Balance 08/31 | \$ 3,452,250 | \$ 2,782,063 | \$ 4,168,379 | \$ 3,604,451 | \$ 3,604,451 |

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 Friday in October.

Prior Period Adjustment

During fiscal year 2017, the District corrected an error - removing an overstated receivable from the Texas Education Agency. The receivable was recorded in the Debt Service fund, and was related to Instructional Facilities Allotment and the Existing Debt Allotment. As such, restatement of the Debt Service 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 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 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 2018-19), the following Fund balance classifications were made:

| | <u>General Operating</u> | <u>Debt Service</u> | <u>Food Service</u> |
|---------------------------|--------------------------|----------------------|---------------------|
| Nonspendable | | | |
| Inventories | \$ 388,366 | \$ - | \$ - |
| Restricted | | | |
| Grants | - | - | 4,168,379 |
| Debt Service | - | 10,442,380 | - |
| Assigned | 100,916,702 | - | - |
| Unassigned | 65,168,115 | - | - |
| Total Fund Balance | <u>\$ 166,473,183</u> | <u>\$ 10,442,380</u> | <u>\$ 4,168,379</u> |

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

| | Budgeted 2020-21 | Projected 2021-22 | Projected 2022-23 | Projected 2023-24 |
|-------------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|
| General Fund | | | | |
| Property Tax Collections | \$ 111,915,950 | \$ 110,603,538 | \$ 111,206,320 | \$ 111,816,874 |
| Other Local | 2,865,050 | 3,008,400 | 3,158,900 | 3,316,900 |
| State | 123,366,489 | 127,187,600 | 127,962,800 | 129,185,200 |
| Federal | 3,053,000 | 3,205,700 | 3,366,000 | 3,534,300 |
| Total Revenue | \$ 241,200,489 | \$ 244,005,238 | \$ 245,694,020 | \$ 247,853,274 |
| Payroll | \$ 210,159,467 | \$ 206,627,100 | \$ 208,693,400 | \$ 210,780,300 |
| Purchased Services | 17,481,495 | 17,533,900 | 17,586,500 | 17,639,300 |
| Supplies and Materials | 12,823,223 | 11,893,800 | 12,191,100 | 12,495,900 |
| Other Operating Costs | 6,544,048 | 6,642,200 | 6,741,800 | 6,842,900 |
| Debt Service | - | - | - | - |
| Capital Outlay | 1,708,767 | 1,623,300 | 1,542,100 | 1,465,000 |
| Total Expenditures | \$ 248,717,000 | \$ 244,320,300 | \$ 246,754,900 | \$ 249,223,400 |
| Other Uses | | | | |
| Change to Fund Balance | \$ (7,516,511) | \$ (315,062) | \$ (1,060,880) | \$ (1,370,126) |
| Fund Balance - Beginning | \$ 177,578,377 | \$ 170,061,866 | \$ 169,746,804 | \$ 168,685,924 |
| Fund Balance - Ending | \$ 170,061,866 | \$ 169,746,804 | \$ 168,685,924 | \$ 167,315,798 |
| Debt Service | | | | |
| Property Tax Collections | \$ 33,059,500 | \$ 34,731,059 | \$ 35,338,852 | \$ 35,649,077 |
| Other Local | 541,500 | 541,500 | 541,500 | 541,500 |
| State | - | - | - | - |
| Total Revenue | \$ 33,601,000 | \$ 35,272,559 | \$ 35,880,352 | \$ 36,190,577 |
| Debt Service | \$ 33,601,000 | \$ 34,489,000 | \$ 35,372,300 | \$ 35,372,800 |
| Total Expenditures | \$ 33,601,000 | \$ 34,489,000 | \$ 35,372,300 | \$ 35,372,800 |
| Other Uses | | | | |
| Change to Fund Balance | \$ - | \$ 783,559 | \$ 508,052 | \$ 817,777 |
| Fund Balance - Beginning | \$ 9,888,038 | \$ 9,888,038 | \$ 10,671,597 | \$ 11,179,649 |
| Fund Balance - Ending | \$ 9,888,038 | \$ 10,671,597 | \$ 11,179,649 | \$ 11,997,426 |

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

| | Budgeted 2020-21 | Projected 2021-22 | Projected 2022-23 | Projected 2023-24 |
|--------------------------|----------------------|----------------------|----------------------|----------------------|
| Food Service | | | | |
| Local | \$ 447,000 | \$ 438,100 | \$ 429,400 | \$ 420,900 |
| State | 74,000 | 75,500 | 77,100 | 78,700 |
| Federal | 17,217,000 | 17,268,700 | 17,320,600 | 17,320,600 |
| Total Revenue | <u>\$ 17,738,000</u> | <u>\$ 17,782,300</u> | <u>\$ 17,827,100</u> | <u>\$ 17,820,200</u> |
| Payroll | \$ 7,109,496 | \$ 7,180,600 | \$ 7,252,400 | \$ 7,324,900 |
| Purchased Services | 252,800 | 255,300 | 257,900 | 260,500 |
| Supplies and Materials | 10,231,849 | 10,334,200 | 10,437,500 | 10,541,900 |
| Other Operating Costs | 44,855 | 45,800 | 46,700 | 47,600 |
| Capital Outlay | 99,000 | 100,000 | 100,000 | 100,000 |
| | <u>\$ 17,738,000</u> | <u>\$ 17,915,900</u> | <u>\$ 18,094,500</u> | <u>\$ 18,274,900</u> |
| Other Uses | | | | |
| Change to Fund Balance | <u>\$ -</u> | <u>\$ (133,600)</u> | <u>\$ (267,400)</u> | <u>\$ (454,700)</u> |
| Fund Balance - Beginning | \$ 3,604,451 | \$ 3,604,451 | \$ 3,470,851 | \$ 3,203,451 |
| Fund Balance - Ending | \$ 3,604,451 | \$ 3,470,851 | \$ 3,203,451 | \$ 2,748,751 |

Assumptions:

*Property value growth average of 1.5%

*Taxable Values with 97.0% collection rate

*Average Daily Attendance increase of 0.3%

*Bond repayment schedule as of August 31, 2020

*Minor adjustments to I&S rate to cover debt payments

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

*HB3 provisions allow a district to reclaim enrichment pennies through a voter approved Tax Ratification Election (TRE)

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 budget, while revenue from local property taxes account for roughly 50%.

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 50th 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 51st 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.



Recapture/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 79th 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 capped the enrichment taxes to 17 cents, making the maximum M&O tax rates \$1.17 per \$100 valuation for Texas school districts. The Rollback (now called “Voter-approved-tax-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 “No-new-revenue 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 No-new-revenue rate would be less than the rate set. A “Voter-approved-tax-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 Voter-approved-tax-rate, voters must approve the new rate by majority vote in an election. Under previous law, the Voter-approved-tax-rate 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 (now called Voter-approved-tax-rate) 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 an M&O rate of \$1.2433.

To ensure that no district would receive less funding due the tax-rate compression, the Texas Legislature also included a “hold harmless” provision called Additional State Aid for Tax Reduction (ASATR), ensuring that districts would have the ability to maintain the same level of per-student funding per WADA. To make sure that districts would not lose revenue due to this legislation, they received state aid. Around 190 school districts fit into this formula for additional funding. The state began phasing out ASATR in fiscal year 2013 through the “Hold Harmless Reduction Percentage,” which decreased target revenue for districts receiving aid.

Comprehensive Reform

In May 2019, the 86th Texas Legislature passed House Bill 3 (HB3), bringing sweeping reforms to school district funding. At a press conference announcing the bill’s passage, Governor Greg Abbot stated “I said we will do what no one thought possible. We will finally fix school finance in Texas. And I’m proud to tell you today we are announcing that we have done exactly that.”



The first dollar of M&O property tax rates was compressed by 93% (or a lower percentage set by appropriation) of their 2018-19 rates, with additional compression beginning in 2020-21 if a district's property values exceed a 2.5% annual growth rate, with no inclusion of an inflation adjustment. Calculations for "Golden" and "Copper" pennies above the Tier I rate (known as Tier II) were modified as well (further description in the section below); the number of allowable "Golden" pennies increased to 8, and "Copper" pennies beyond that was capped at 9. Provisions were added to compress these "Copper" when the basic allotment increases. For Galena Park, the M&O tax rate prior to this compression was \$1.2433. Compressing the rate had the following affect in 2019-2020:

| | |
|--|----------------------|
| Districts TY 2019 tax rate before compression | 1.2433 |
| 2019-2020 school year Tier one tax rate (TR) | 0.9300 |
| 2019-2020 school year Golden pennies | 0.0800 |
| 2019-2020 school year Copper pennies | 0.0584 |
| 2019-2020 Additional Unequalized pennies for districts authorized by special law | 0.0733 |
| Total (adopted tax rate) | <u>1.1417</u> |

Compressing tax rates will result in school districts collecting less property tax revenues; to offset this, the Basic Allotment (further description in the section below) was increased from \$5,140 to \$6,160, which ultimately results in additional state aid funding provided to school districts.

Increases in the Basic Allotment have also been tied to compensation increases: 30% of per student revenue gain compared to the prior year must be allocated to compensation increases for non-administrative staff. Of this allotment, 75% must be used for compensation increases for teachers, librarians, counselors and nurses, with a priority emphasis on classroom teachers with more than five years of experience. The remaining 25% may be used at the district's discretion for full-time employee compensation increases. For Galena Park, 30% of new revenue in 2019-2020 was projected to be \$4,429,123. To be in compliance, \$3,321,842 must be used for compensation increases for teachers, librarians, counselors and nurses, while \$1,107,281 must be used for compensation increases for other full-time non-administrators.

Preceding the 2019-2020 school year, prior year property values were used to calculate the total amount of "local share" a district was to collect in property taxes; the law now modifies this to use current year property values to calculate this.

Additional compression to the tax rate for Fiscal Year 2020-21 resulting from House Bill 3 was as follows:

| | |
|--|---------------|
| District's total adopted TY 2019 M&O Tax rate | 1.1417 |
| TY 2019 Tax effort adopted by district in response to a disaster under 26.08 (a-1), Tax Code | 0.0000 |
| District's total adopted TY 2019 M&O Tax rate net of pennies adopted to respond to disaster | 1.1417 |
| State Projected Property value growth percentage (from GAA) | 4.01% |
| State compressed tax rate | 0.9164 |
| Districts estimated property value growth | 2.70% |
| Greater of state or district value growth | 4.01% |
| Maximum Tier one tax rate (limited to 90% of highest taxing district) | 0.9164 |
| Golden Pennies | 0.0800 |
| Copper Pennies | 0.0584 |
| Unequalized pennies for certain Harris County districts under special law | 0.0733 |
| TY 2020 Total tax rate with no increase | 1.1281 |

Beginning in 2020-2021, additional compression of the Tier I M&O rate is required if a district's property values exceed 2.5% annual growth rate. Property value growth from Tax Year 2019 Year End to Tax Year 2020 Certified Value was calculated to be 4%.

The Cost of Education Index, an adjustment to account for regional variations in the price of goods and services beyond the control of school districts, was repealed.

The funding formula has been adjusted in regards to the various weights that certain student population groups carry and are funded for, but one of the largest modifications was to the method used to identify students considered Economically or Educationally Disadvantaged. Students considered eligible for the free or reduced lunch program

were identified as Economically or Educationally Disadvantaged. The new system uses a series of census blocks in which the students reside to provide the weight used to calculate the Compensatory Education allotment. The following demographic variables are used to determine the weight assigned to the specific census blocks:

- Median household income
- Average educational attainment of the population
- Percentage of single-parent households
- Rate of home ownership
- Other criteria as determined by the Commissioner of Education.

School districts are also now required to provide full-day pre-kindergarten services to eligible 4 year-old students, and may provide services to students under 4. This change is not directly met with any additional funding, however, a new Early Education allotment was created for each K-3 student that is Educationally Disadvantaged or Limited English Proficient and enrolled in a bilingual program, with funds being spent on efforts to achieve the goals set in the district's early childhood literacy and mathematics proficiency plans adopted under Texas Education Code Section 11.185. Before a district builds or leases a facility for the full-day pre-k program, it must solicit proposals for partnerships with community-based childcare providers.

The adopted I&S rate for Galena Park ISD is \$0.3300. Combined with M&O, the total tax rate is \$1.4581.

Foundation School Program Today

The FSP has two main components, operations funding and facilities funding, each of which is tied to the tax efforts of school districts. These components provide funding for school district operations and for school facilities. This overview briefly describes the main components of the FSP.

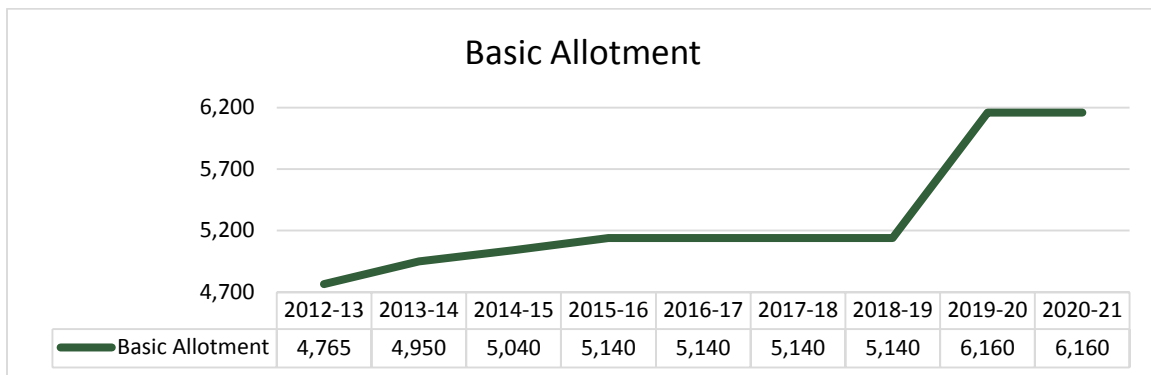
Operations Funding

The operations funding component of the FSP provides school districts with assistance in financing their maintenance and operations based on the following three components:

- Tier I
- Tier II
- Revenue at the compressed tax rate

Tier I of the FSP is made up of several allotments, including those for regular basic education, Special Education, Career and Technical Education, Bilingual/English as a Second Language Education, Compensatory Education, Public Education Grants, Transportation, and New Instructional Facilities. Tier I also includes an allotment for specialized programs at the high school level, the high school allotment.

The **basic allotment** is the basis of funding for most of the allotments making up a district's Tier I entitlement, an amount which varies based on a school district's CTR. A district's basic allotment amount is \$6,160 multiplied by the quotient that results from dividing the district's CTR by the state maximum compressed tax rate, which is \$0.93. Consequently, a district with a CTR of \$0.93 has a basic allotment amount of \$6,160. The basic allotment amount and the number of students in average daily attendance are used to calculate a district's Tier I entitlement.



A school district is responsible for funding a portion of its Tier I entitlement. The portion of the Tier I entitlement that the district is responsible for is called the Local Fund Assignment (LFA). The LFA is the amount of tax collections generated by assessing the CTR or a tax rate of \$0.93, whichever is lower, for each \$100 of property valuation, using the current school year's property values.

Tier II provides a "guaranteed yield," or guaranteed level of funding, to school districts to supplement the basic funding provided for by Tier I. The guaranteed yield ensures that school districts generate a specified amount of state and local funds per student in weighted average daily attendance (WADA) for each cent of tax effort above the tax effort required to meet the LFA, up to an amount set by statute.

In 2019, HB 3 modified Tier II to provide two levels of guaranteed yield funding on the pennies of tax effort that exceed the LFA tax rate (modified by HB 3 to be the lesser of \$0.93 or a district's CTR).

- Level 1 – an amount set by the General Appropriations Act, to be the greater of:
 - Yield per penny per WADA for the district at the 96th percentile of wealth per WADA, or
 - \$98.56 (1.6% of the Basic Allotment)
- Level 2 – a fixed amount set by statute, \$49.28 (0.8% of the Basic Allotment)

Revenue at the compressed tax rate, provided for in the property-tax-relief law that was passed in 2006, modified in 2009 and 2011, and the further compression passed in 2019, guarantees school districts a set amount of funds per student in weighted

average daily attendance to compensate for the or compression of their local maintenance and operations (M&O) tax rates from rates that were adopted in 2005.

Recapture is a mechanism in state funding formulas that ensures all school districts have roughly similar funding per student and was previously based on property wealth per student in weighted average daily attendance. Under HB3, recapture and non-recapture school districts are treated more equitably, and districts only pay tier one recapture on the amount above their formula entitlement. HB3 modifies local revenue subject to recapture to be local revenue in excess of entitlement and is calculated by subtracting a district's tier one entitlement from its available school fund distribution and local fund assignment. The previous method to calculate recapture used prior year values to arrive at a proportional tax base reduction percentage; this percentage was applied to current year tax collections to arrive at a recapture amount. This recapture formula created budget instability, i.e. surpluses and deficits. The shift to current year values aligns recapture with entitlement and provides funding more equitably. A district with local revenue in excess of entitlement can now be found under Chapter 49 of the Texas Education Code (TEC) (formerly located under Chapter 41). Galena Park ISD is not subject to recapture at this time.

Facilities Funding

The facilities funding component of the FSP consists of the Instructional Facilities Allotment (IFA) program and the Existing Debt Allotment (EDA) program. These programs assist school districts in funding facilities by equalizing I&S tax effort.

State Funding available for appropriation in the 2017-18 and 2018-19 budgets increased by an average of \$117 per WADA due to funding formula changes. The formula changes were included in Senate Bill 1 passed during the 85th Legislative session, which increased the Austin Yield from \$77.53 to \$99.41 for the 2017-18 school year, and to \$106.28 in the 2018-19 school year. House Bill 3 eliminated the Austin Yield Guarantee in the 2019-20 school year.

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>. Allen, Rebekah (2019, May 24) Deal funds schools, property tax relief, The Dallas Morning News

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) |
|----------|----------|----------|------------|-----------------|---|---------------------------|
| 2020 | 1.1281 | 0.3300 | 1.4581 | \$ 144,975,450 | | |
| 2019 | 1.1417 | 0.3300 | 1.4717 | 144,133,450 | \$ 138,588,368 | \$ (5,545,082) * |
| 2018 | 1.2433 | 0.3300 | 1.5733 | 136,865,950 | 135,043,184 | (1,822,766) |
| 2017 | 1.2433 | 0.3200 | 1.5633 | 125,942,626 | 127,052,390 | 1,109,764 |
| 2016 | 1.2433 | 0.3200 | 1.5633 | 124,026,250 | 126,197,921 | 2,171,671 |
| 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 |

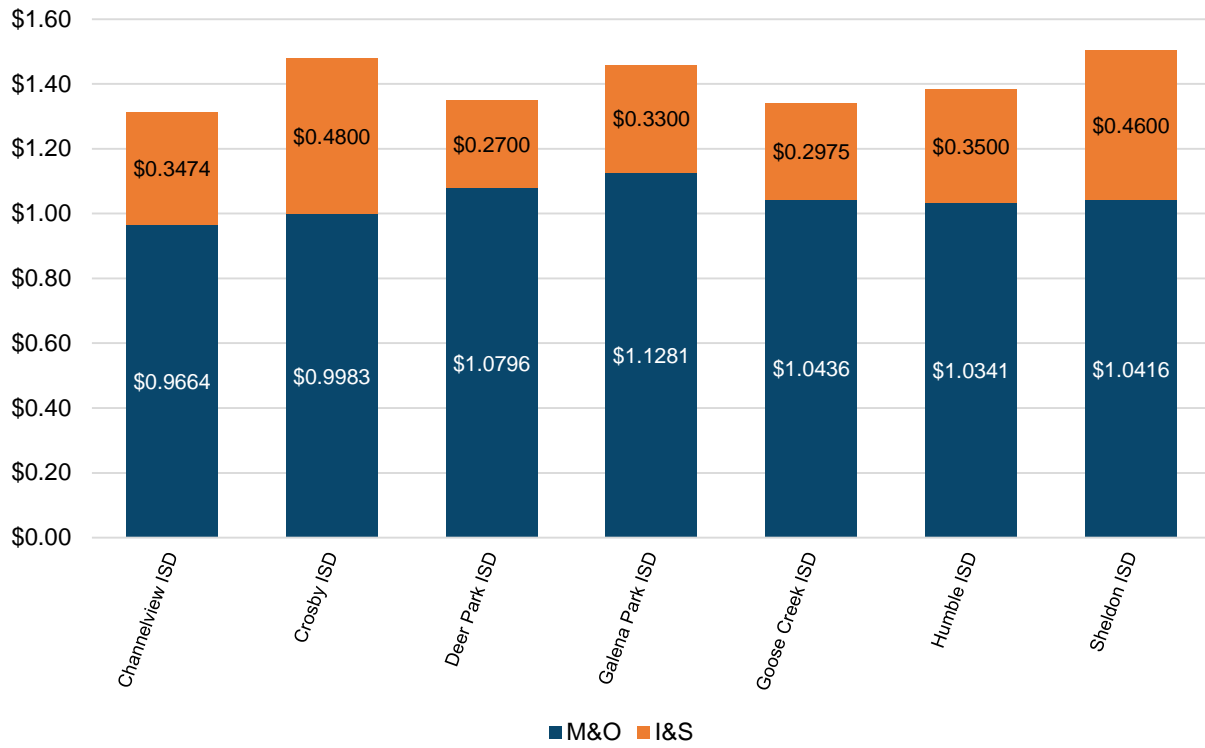
*The District did not receive approximately \$4 Million in expected tax collections due to large value appeal accounts. Additionally, property values dropped 3% from the time of certification to Supplement 11 received August 2020.

Tax Rate Comparison to Local Districts

| Channelview ISD | M&O | I&S | Total Rate | Goose Creek ISD | M&O | I&S | Total Rate |
|-----------------|--------|--------|------------|-----------------|--------|--------|------------|
| 2020 | 0.9664 | 0.3474 | 1.3138 | 2020 | 1.0436 | 0.2975 | 1.3411 |
| 2019 | 0.9700 | 0.3560 | 1.3260 | 2019 | 1.0683 | 0.2619 | 1.3302 |
| 2018 | 1.0400 | 0.3560 | 1.3960 | 2018 | 1.1700 | 0.2619 | 1.4319 |
| 2017 | 1.0400 | 0.3560 | 1.3960 | 2017 | 1.1700 | 0.2619 | 1.4319 |
| 2016 | 1.0400 | 0.3960 | 1.4360 | 2016 | 1.1700 | 0.2619 | 1.4319 |
| Crosby ISD | M&O | I&S | Total Rate | Humble ISD | M&O | I&S | Total Rate |
| 2020 | 0.9983 | 0.4800 | 1.4783 | 2020 | 1.0341 | 0.3500 | 1.3841 |
| 2019 | 1.0400 | 0.3560 | 1.3960 | 2019 | 1.0683 | 0.3500 | 1.4183 |
| 2018 | 1.1700 | 0.4800 | 1.6500 | 2018 | 1.1700 | 0.3500 | 1.5200 |
| 2017 | 1.1700 | 0.5000 | 1.6700 | 2017 | 1.1700 | 0.3500 | 1.5200 |
| 2016 | 1.1700 | 0.5000 | 1.6700 | 2016 | 1.1700 | 0.3500 | 1.5200 |
| Deer Park ISD | M&O | I&S | Total Rate | Sheldon ISD | M&O | I&S | Total Rate |
| 2020 | 1.0796 | 0.2700 | 1.3496 | 2020 | 1.0416 | 0.4600 | 1.5016 |
| 2019 | 1.1351 | 0.2800 | 1.4151 | 2019 | 1.0683 | 0.3000 | 1.3683 |
| 2018 | 1.2367 | 0.3020 | 1.5387 | 2018 | 1.1700 | 0.3000 | 1.4700 |
| 2017 | 1.2367 | 0.3200 | 1.5567 | 2017 | 1.1700 | 0.3000 | 1.4700 |
| 2016 | 1.2367 | 0.3200 | 1.5567 | 2016 | 1.1700 | 0.2400 | 1.4100 |

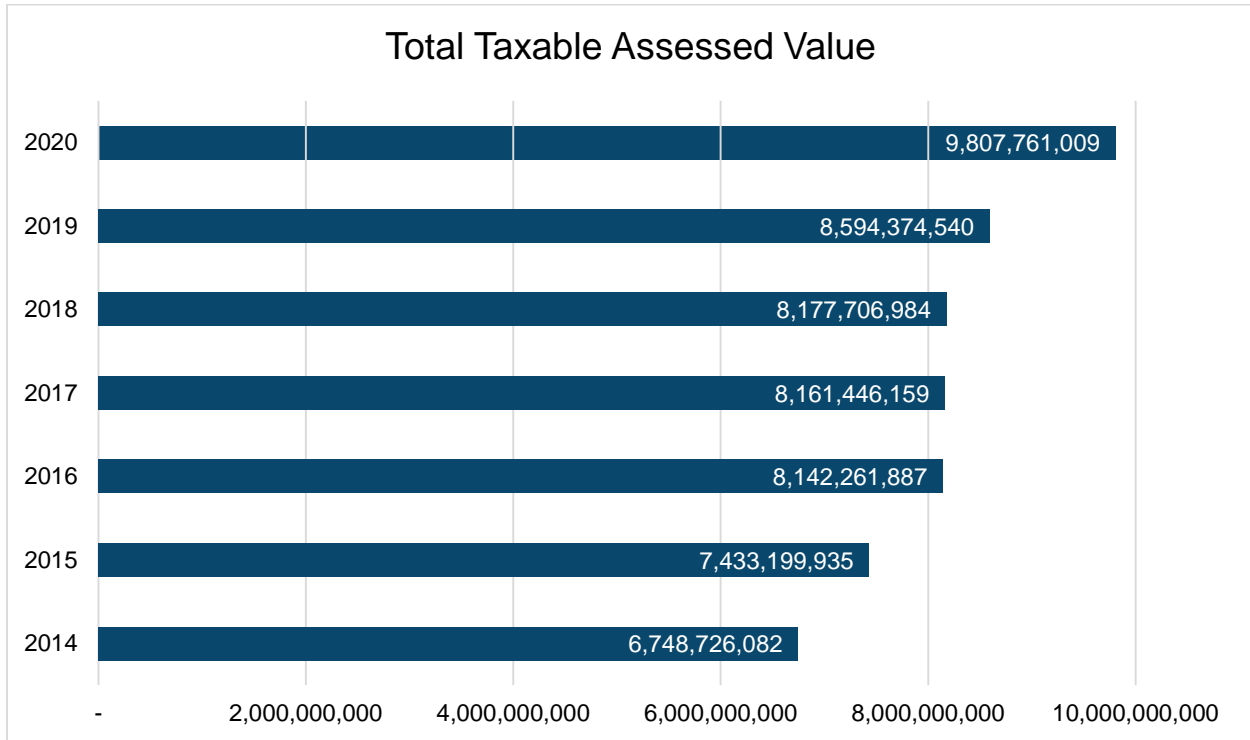
www.hctax.net

2020 Tax Rate Comparison



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 2020 increased from \$8.59 billion to \$9.81 billion, an increase less than 14.12%. 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. Values above are for the fiscal year ending August 31st.

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 2020-21 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

| Tax Year | M&O Rate | Original Budget | Actual Collected (Including Delinquent) | Actual Coverage (Shortage) |
|----------|----------|-----------------|---|----------------------------|
| 2020 | 1.1281 | \$ 111,915,950 | | |
| 2019 | 1.1417 | 114,060,950 | \$ 107,590,735 | \$ (6,470,215) * |
| 2018 | 1.2433 | 107,302,950 | 106,791,584 | (511,366) |
| 2017 | 1.2433 | 100,095,726 | 101,115,176 | 1,019,450 |
| 2016 | 1.2433 | 101,864,100 | 100,420,915 | (1,443,185) |
| 2015 | 1.2433 | 91,410,204 | 100,934,605 | 9,524,401 |

*The District did not receive approximately \$4 Million in expected tax collections due to large value appeal accounts. Additionally, property values dropped 3% from the time of certification to Supplement 11 received August 2020.

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

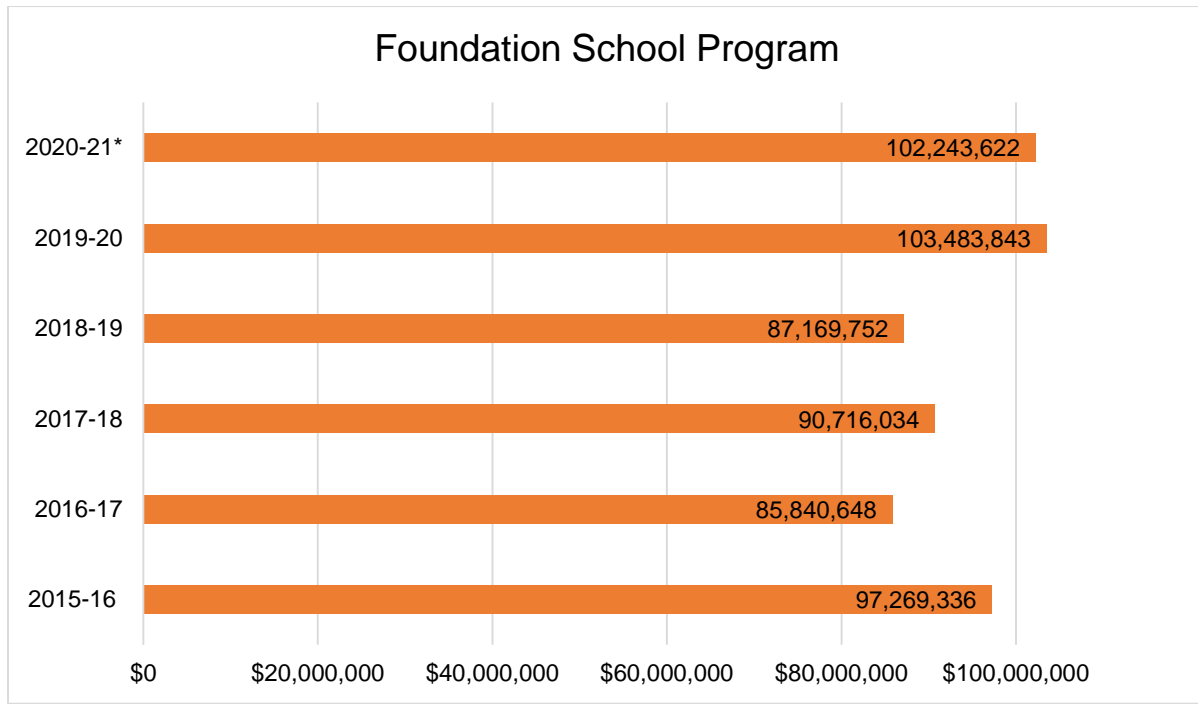
The Foundation School Program

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 95.83% of total general fund revenue for 2019-20. 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, 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 85th Texas Legislature, General Appropriations Act (GAA) established the employer contribution rates for fiscal years 2018 and 2019, and Senate Bill 12 of the 86th legislature set rates consistent at 7.50% through 2020-21, with increases in the following years.

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

| Contribution Rates | | | |
|----------------------------------|-------------|-------------|-------------|
| | 2020 | 2019 | 2018 |
| Non-Employer Contributing Entity | 7.50% | 6.80% | 6.80% |
| Member | 7.70% | 7.70% | 7.70% |
| Employers | 7.50% | 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.

An 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 10th 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’s General Fund 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 2020-21 is \$2,000,000 or 0.83% of the total revenue budget.

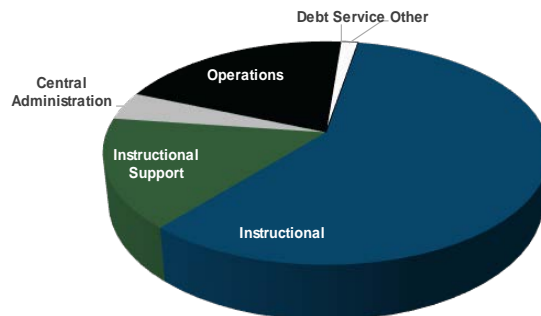
Expenditures

The adopted General Fund expenditure budget for 2020-21 is \$248,717,000. This is an increase of \$12,597,000 or 5.33% more than the adopted 2019-20 expenditure budget. The majority of the increase is a result of COVID-19 contingency costs, a shift in working days for Instructional staff (related to the delayed start of school), compensation plan adjustments and technology infrastructure investments. The School Board approved a 1.5% across the board pay raise for all employees and shifted teacher starting salary to \$59,000, estimated to increase payroll costs approximately \$7.1 million. Additional technology investments are \$643,172, while additional sanitation supplies and equipment are estimated to add \$2.15 Million. Changes to school funding formulas by the 86th Legislature is the major contributor to the budget changes; increases to the Basic allotment from \$5,140 to \$6,160 will provide school districts across the state with more funding, and tying Basic Allotment increases to mandated increases in Instructional staff (non-administrative) salaries have had a significant impact on the payroll budget. Property value estimates from the Harris County Appraisal District also play a large part in budget forecasting; certified property values provided by the Appraisal District in August were higher than the uncertified values used during the budget planning phase, therefore revenues are estimated higher than the conservative expenditure estimates, even considering the additional tax rate compression legislation.

The graphs that follow depict the 2020-21 expenditure budget for the General Fund.

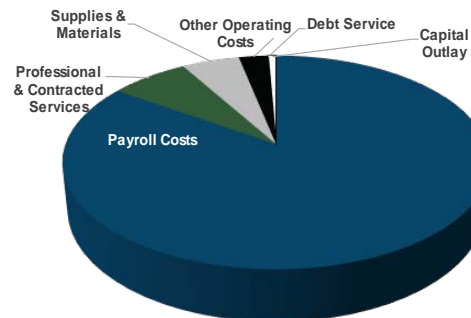
General Fund Budget by Major Area

| | | |
|------------------------|-----------------------|-------|
| Instructional | \$ 145,399,000 | 58.5% |
| Instructional Support | 39,426,000 | 15.9% |
| Central Administration | 10,212,000 | 4.1% |
| Operations | 50,007,000 | 20.1% |
| Debt Service | - | 0.0% |
| Other | 3,673,000 | 1.5% |
| Total | \$ 248,717,000 | |



General Fund Budget by Major Object

| | | |
|------------------------------------|-----------------------|-------|
| Payroll Costs | \$ 210,159,467 | 84.5% |
| Professional & Contracted Services | 17,481,495 | 7.0% |
| Supplies & Materials | 12,823,223 | 5.2% |
| Other Operating Costs | 6,544,048 | 2.6% |
| Debt Service | - | 0.0% |
| Capital Outlay | 1,708,767 | 0.7% |
| Total | \$ 248,717,000 | |



General Fund Expenditures by Major Object

| | Adopted Budget 2019-20 | Adopted Budget 2020-21 | Percentage Increase (Decrease) |
|------------------------------------|---------------------------|---------------------------|-----------------------------------|
| Payroll Costs | \$ 193,175,146 | \$ 210,159,467 | 8.79% |
| Professional & Contracted Services | 16,055,655 | 17,481,495 | 8.88% |
| Supplies & Materials | 17,077,068 | 12,823,223 | -24.91% |
| Other Operating Costs | 6,317,571 | 6,544,048 | 3.58% |
| Debt Service | 360,000 | - | -100.00% |
| Capital Outlay | 3,134,560 | 1,708,767 | -45.49% |
| | \$ 236,120,000 | \$ 248,717,000 | 5.33% |

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 \$105 |
| Middle Schools | Projected ADA x \$109 |
| High Schools | Projected ADA x \$173 |

The chart on the following page shows the 2020-21 budgets allocated to each campus.

| Campus | Projected ADA | Payroll Costs | Prof. & Contract ed Services | Supplies & Materials | Other Operating Costs | Capital Outlay | 2020-21 Total |
|-------------------------------------|---------------|---------------|------------------------------|----------------------|-----------------------|----------------|------------------|
| Galena Park High | 1,639.5 | \$30,801 | 24,823 | 136,084 | 91,931 | - | \$283,639 |
| North Shore Senior - 9th Grade Ctr | 1,086.7 | 8,885 | 9,800 | 119,315 | 50,000 | - | 188,000 |
| North Shore Senior - 10th Grade Ctr | 1,064.4 | 27,425 | 23,892 | 81,165 | 51,665 | - | 184,147 |
| North Shore Senior High | 2,077.0 | 48,625 | 37,850 | 156,888 | 115,955 | - | 359,318 |
| Accelerated Center for Education | N/A | 5,945 | 5,720 | 15,433 | 16,094 | - | 43,192 |
| Early College High School | 500.0 | 9,685 | 1,000 | 26,065 | 33,750 | - | 70,500 |
| Cimarron Elementary | 688.6 | 7,645 | 6,120 | 36,020 | 22,515 | - | 72,300 |
| Cloverleaf Elementary | 733.0 | 5,019 | 3,750 | 39,521 | 28,675 | - | 76,965 |
| Havard Elementary | 609.0 | 5,549 | 3,730 | 41,054 | 13,615 | - | 63,948 |
| Galena Park Elementary | 536.9 | 6,220 | 6,212 | 21,098 | 22,842 | - | 56,372 |
| Green Valley Elementary | 612.6 | 9,961 | 6,985 | 31,558 | 15,815 | - | 64,319 |
| Jacinto City Elementary | 617.4 | 2,360 | 7,072 | 39,254 | 16,145 | - | 64,831 |
| MacArthur Elementary | 617.4 | 2,205 | 4,500 | 36,947 | 21,175 | - | 64,827 |
| North Shore Elementary | 925.3 | 4,355 | 6,550 | 65,623 | 20,625 | - | 97,153 |
| Pyburn Elementary | 530.6 | 3,100 | 5,390 | 32,220 | 15,000 | - | 55,710 |
| Woodland Acres Elementary | 426.9 | 5,653 | 4,730 | 15,471 | 18,967 | - | 44,821 |
| Tice Elementary | 630.4 | 4,482 | 1,450 | 41,706 | 18,550 | - | 66,188 |
| Purple Sage Elementary | 492.4 | 1,049 | 3,830 | 32,480 | 14,345 | - | 51,704 |
| Normandy Crossing Elementary | 591.7 | 2,225 | 7,255 | 31,657 | 20,995 | - | 62,132 |
| Williamson Elementary | 617.5 | 6,285 | 5,200 | 35,000 | 18,351 | - | 64,836 |
| Sam Houston Elementary | 730.4 | 4,589 | 4,882 | 35,646 | 31,575 | - | 76,692 |
| Galena Park Middle | 1,059.7 | 17,003 | 10,934 | 49,593 | 37,975 | - | 115,505 |
| North Shore Middle | 1,295.2 | 19,952 | 2,700 | 69,969 | 48,560 | - | 141,181 |
| Woodland Acres Middle | 527.8 | 7,716 | 5,440 | 28,996 | 15,375 | - | 57,527 |
| Cunningham Middle | 944.6 | 10,174 | 9,596 | 41,153 | 42,036 | - | 102,959 |
| Cobb 6th Grade | 1,199.5 | 20,215 | 9,500 | 59,258 | 36,975 | - | 125,948 |



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

Certain capital outlay expenditures, such as fleet replacement and technology upgrades, are budgeted in the General Fund. Items purchased with these funds are tracked and depreciation recorded annually. The only projects that use the Capital Projects Fund are those that fit within the scope of the approved bonds.



The chart that follows breaks down the 2020-21 budgets allocated to each department unit.

| Department | Payroll Costs | Prof. & Contracted Services | Supplies & Materials | Other Operating Costs | Capital Outlay | 2020-21 Total |
|--|---------------|-----------------------------|----------------------|-----------------------|----------------|------------------|
| Curriculum & Instruction | \$139,917 | 330,353 | 227,254 | 165,155 | - | \$862,679 |
| Gifted & Talented | 13,966 | 5,500 | 88,630 | 57,567 | - | 165,663 |
| Technology | 14,992 | 1,100,900 | 415,971 | 15,779 | 456,841 | 2,004,483 |
| Bilingual/ESL | 212,603 | 18,750 | 293,140 | 49,170 | - | 573,663 |
| Fine Arts & Academic Enrichment | 26,811 | 168,551 | 337,917 | 177,065 | - | 710,344 |
| Education & Academic Support | 71,148 | 128,408 | 55,098 | 80,770 | - | 335,424 |
| Compensatory Education | 606,558 | - | 16,350 | 2,500 | - | 625,408 |
| Student Support | 12,823 | 4,000 | 18,176 | 22,143 | - | 57,142 |
| Special Programs | 33,963 | 6,400 | 123,595 | 10,200 | - | 174,158 |
| Grants & Initiatives | 857 | 215 | 3,328 | 5,600 | - | 10,000 |
| Student Assessment & Accountability | 2,780 | 16,650 | 90,550 | 8,542 | - | 118,522 |
| Special Education | 15,068 | 29,734 | 286,319 | 39,984 | - | 371,105 |
| Career & Technology | 29,966 | 38,600 | 258,025 | 103,080 | - | 429,671 |
| Staff Development | 10,180 | 7,000 | 21,080 | 31,975 | - | 70,235 |
| School Administration (Senior Dir.) | 37,385 | 85 | 12,730 | 29,800 | - | 80,000 |
| Athletics | 27,444 | 90,180 | 356,500 | 241,000 | - | 715,124 |
| Educational Support | 44,940 | 13,900 | 57,000 | 61,110 | - | 176,950 |
| School Improvement | 103,930 | 116,594 | 62,448 | 45,000 | - | 327,972 |
| Student Applications | 1,060 | 1,500 | 11,000 | 7,000 | - | 20,560 |
| Education Foundation | 857 | - | 1,033 | 1,200 | - | 3,090 |
| Edu. Support & School Admin. (Deputy Super) | 169,993 | 616,621 | 310,142 | 115,305 | - | 1,212,061 |
| Edu. Support & School Admin. (Assistant Super) | 2,715 | 5,500 | 4,335 | 23,450 | - | 36,000 |
| Night School | 68,925 | - | 525 | 550 | - | 70,000 |
| Communications | 26,163 | 117,000 | 30,150 | 194,850 | - | 368,163 |
| Governmental Relations | 860 | 890 | 2,410 | 43,840 | - | 48,000 |
| Operations | 19,835 | 203,003 | 7,837 | 16,053 | - | 246,728 |
| Maintenance | 2,500 | 843,700 | 643,546 | 13,500 | 3,000 | 1,506,246 |
| Energy Management | - | 5,482,050 | 21,500 | 16,141 | - | 5,519,691 |
| Custodial Services | 3,500 | 212,990 | 544,480 | 9,140 | - | 770,110 |
| Transportation | 25,044 | 266,100 | 1,472,500 | 48,150 | 845,926 | 2,657,720 |

| Department | Payroll Costs | Prof. & Contracted Services | Supplies & Materials | Other Operating Costs | Capital Outlay | 2020-21 Total |
|---|---------------|-----------------------------|----------------------|-----------------------|----------------|------------------|
| Grounds Maintenance | \$2,525 | 174,400 | 200,326 | 5,750 | 60,000 | \$443,001 |
| Student Nutrition/Food Service | - | 332,660 | - | 67,340 | - | 400,000 |
| Security | 42,745 | 2,763,044 | 123,973 | 30,700 | 40,000 | 3,000,462 |
| Lifecycle Projects | - | - | 2,500,000 | - | - | 2,500,000 |
| Security & Emergency Management | 1,645 | 7,825 | 8,550 | 6,600 | - | 24,620 |
| Bond & Treasury Management | 1,825 | 31,460 | 1,905 | 3,810 | - | 39,000 |
| Human Resources - Admin | 8,426 | 67,500 | 31,420 | 58,714 | 7,000 | 173,060 |
| Risk Management | 2,553 | 34,140 | 26,036 | 2,906,685 | - | 2,969,414 |
| Elementary Human Resource Services | 4,219 | 9,000 | 12,600 | 13,600 | - | 39,419 |
| Tax Collector | 435 | 105,135 | 2,500 | 2,800 | - | 110,870 |
| Facilities Planning/Lifecycle | 1,870 | 15,540 | 17,000 | 13,879 | - | 48,289 |
| Recruitment | - | 12,500 | 22,500 | 45,000 | - | 80,000 |
| Secondary Human Resource Services | 1,000 | 4,430 | 8,000 | 4,500 | - | 17,930 |
| Benefits | 4,340 | 19,000 | 5,800 | 8,860 | - | 38,000 |
| Athletic Events | 97,260 | 116,010 | - | 7,980 | - | 221,250 |
| Chief Financial Officer | 2,050 | 18,600 | 14,100 | 18,250 | - | 53,000 |
| Payroll | 5,090 | - | 7,458 | 3,850 | - | 16,398 |
| Warehouse/Textbooks | 3,360 | 3,500 | 7,338 | 5,710 | - | 19,908 |
| Finance & Budget | 2,775 | 18,459 | 7,150 | 8,300 | - | 36,684 |
| Business Services | 1,680 | - | 6,370 | 18,950 | - | 27,000 |
| Districtwide Expenses - Chief Financial Officer | - | 3,472,121 | 2,519,104 | 530,625 | 275,000 | 6,796,850 |
| Superintendent's Office | 34,240 | 213,649 | 198,750 | 202,800 | 21,000 | 670,439 |
| Chief of Staff | 1,120 | 18,437 | 4,600 | 99,220 | - | 123,377 |
| Special Projects | - | - | 5,000 | 5,000 | - | 10,000 |



Significant Budget changes for 2020-21

- Adjust Teacher pay scale, increase starting pay \$59,000; **\$2,229,387**
- 1.5% of midpoint general pay increase for all employees; **\$1,303,167**
- Various new positions approved by Board of Trustees; **\$3,582,800**
 - 26 Teachers at elementary campuses, to support the expansion from half-day pre-kindergarten services to whole day
 - 38 Instructional Aides at elementary campuses, to support the expansion from half-day pre-kindergarten services to whole day
 - 7 Teachers for various campuses, supporting various areas of curriculum including Math, Science, English Language Arts, Social Studies and Career & Technology Education
 - 4 Assessment & Digital Learning Specialists for various campuses, to aid in technology related curriculum and instruction
 - 1 Director for Student Safety and Behavior Management to ensure the implementation and management of threat assessments, student safety, behavior management and transition
 - 6 Crossing Guards to ensure the safety of students
 - 2 Receptionists for the addition of two Legacy School Based Clinics housed at district campus facilities
 - 1 Licensed Mental Health & Student Support Specialist to support the staff and students with mental health needs
 - 1 FOCUS Teacher, due to the increased number of Special Education students receiving services at Purple Sage Elementary
 - 1 FOCUS Aide, due to the increased number of Special Education students receiving services at Purple Sage Elementary
 - 1 Behavior Training Center Teacher, due to the increased number of students needing services at Woodland Acres Middle School
 - 1 Behavior Training Center Aide, due to the increased number of students needing services at Woodland Acres Middle School
 - 0.5 Security Guard positions, to add services across the campuses
 - 1 Hall Monitor to assist in providing a safe environment for students at North Shore Senior High School
 - 1 Student Nutrition Specialist, to support the increased demand in providing breakfast in the classroom for students at North Shore Senior High School
- Continued funding for annual lifecycle projects and upgrades to facilities; **\$2,500,000**
- Increase for COVID-19 related supplies and services; **\$2,150,000**
- The District postponed the start of school until after Labor Day, and subsequently shifted work days for Instructional staff back by 10 days. Expense for those days will now be realized in June 2021, rather than August 2020; **\$5,134,000**

- Continued funding for Transportation fleet replacement; **\$845,926**
- Continued funding for Technology and network upgrade projects; **\$643,172**
- Increase for officer and patrol contract costs; **\$272,206**
- Increase of annual insurance premium; **\$219,000**
- Increase for Student Attendance Incentive program; **\$133,500**
- Additional resources due to the expansion to full day pre-kindergarten; **\$86,700**
- Increase for Harris County Appraisal District collection costs; **\$62,000**
- Increase for Reading Academies, scheduled Summer 2021; **\$56,300**
- Increase for dumpster and trash collection contract; **\$35,000**

Life Cycle Projects

The District has budgeted \$2,500,000 in the General Fund for the following Life Cycle Projects to take place during the 2020-21 fiscal year.

Building Needs Several district facilities will be receiving repairs and component replacements:

| | | |
|--|--|----------|
| Administration Building | Upgrades of restrooms to conform with ADA accessibility | \$12,500 |
| Arthur C. Lilley Education Center | Replace Chillers | 153,000 |
| Cimarron Elementary | Carpet replacement | 50,000 |
| Cimarron Elementary | Repainting of all classroom, door frames, kitchen, and cafeteria | 140,500 |
| Cimarron Elementary | Repair/replacement of concrete sidewalks | 200,000 |
| Cobb Sixth Grade | Conversion to tank-less water heater | 10,000 |
| Cunningham Middle | Refinish gym flooring | 11,000 |
| Cunningham Middle | Resurface track | 82,000 |
| Galena Park ISD Stadium | Replace reserved seats | 200,000 |
| Galena Park Middle | Refinish gym flooring | 5,500 |
| Galena Park High | Refinish gym flooring | 11,000 |
| Grounds Department | Resurface service yard | 200,000 |
| Normandy Crossing Elementary | Replacement of partition wall divider | 150,000 |
| North Shore Middle | Refinish gym flooring | 11,000 |
| North Shore Senior High | Refinish gym flooring | 11,000 |
| North Shore Senior High 9th Grade Center | Replace aluminum window panels | 400,000 |
| Sam Houston Elementary | Conversion to tank-less water heater | 10,000 |
| Tice Elementary | Upgrade to stage to conform with ADA accessibility | 25,000 |
| Tice Elementary | Carpet replacement | 200,000 |

| | | |
|---------------------------|--|---------|
| Williamson Elementary | Replacement of playground equipment | 100,000 |
| Woodland Acres Elementary | Conversion to tank-less water heater | 10,000 |
| Woodland Acres Middle | Refinish gym flooring | 5,500 |
| Zotz Education Center | Carpet replacement | 250,000 |
| Zotz Education Center | Fire alarm system upgrade | 200,000 |
| Zotz Education Center | Replacement of metal exterior doors | 27,000 |
| Zotz Education Center | Replacement of metal roof on warehouse | 25,000 |

Budget Impact: \$2,500,000

Life Cycle Grand Total: \$2,500,000

Future Life Cycle Projects

The following items are included on the long range life cycle plan for the 2021-22, 2022-23 and 2023-24 school years.

2021-22

| | |
|---------------------|-------------------------------------|
| \$ 1,000,000 | HVAC system replacement or upgrades |
| 250,000 | Plumbing upgrades or replacements |
| 100,000 | Lighting upgrades |
| 1,150,000 | Flooring replacement |
| <u>\$ 2,500,000</u> | |

2022-23

| | |
|---------------------|-------------------------------------|
| \$ 300,000 | Lighting Upgrades |
| 1,000,000 | HVAC system replacement or upgrades |
| 100,000 | Resurface asphalt parking lots |
| 200,000 | Elevator replacement |
| 900,000 | Flooring replacement |
| <u>\$ 2,500,000</u> | |

2023-24

| | |
|---------------------|-------------------------------------|
| \$ 50,000 | Lighting Upgrades |
| 1,100,000 | HVAC system replacement or upgrades |
| 100,000 | Resurface asphalt parking lots |
| 1,250,000 | Flooring replacement |
| <u>\$ 2,500,000</u> | |

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%. Funds obtained by the sale of these bonds are being used 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, all \$290 million in bond sales had occurred.

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

Local Revenue

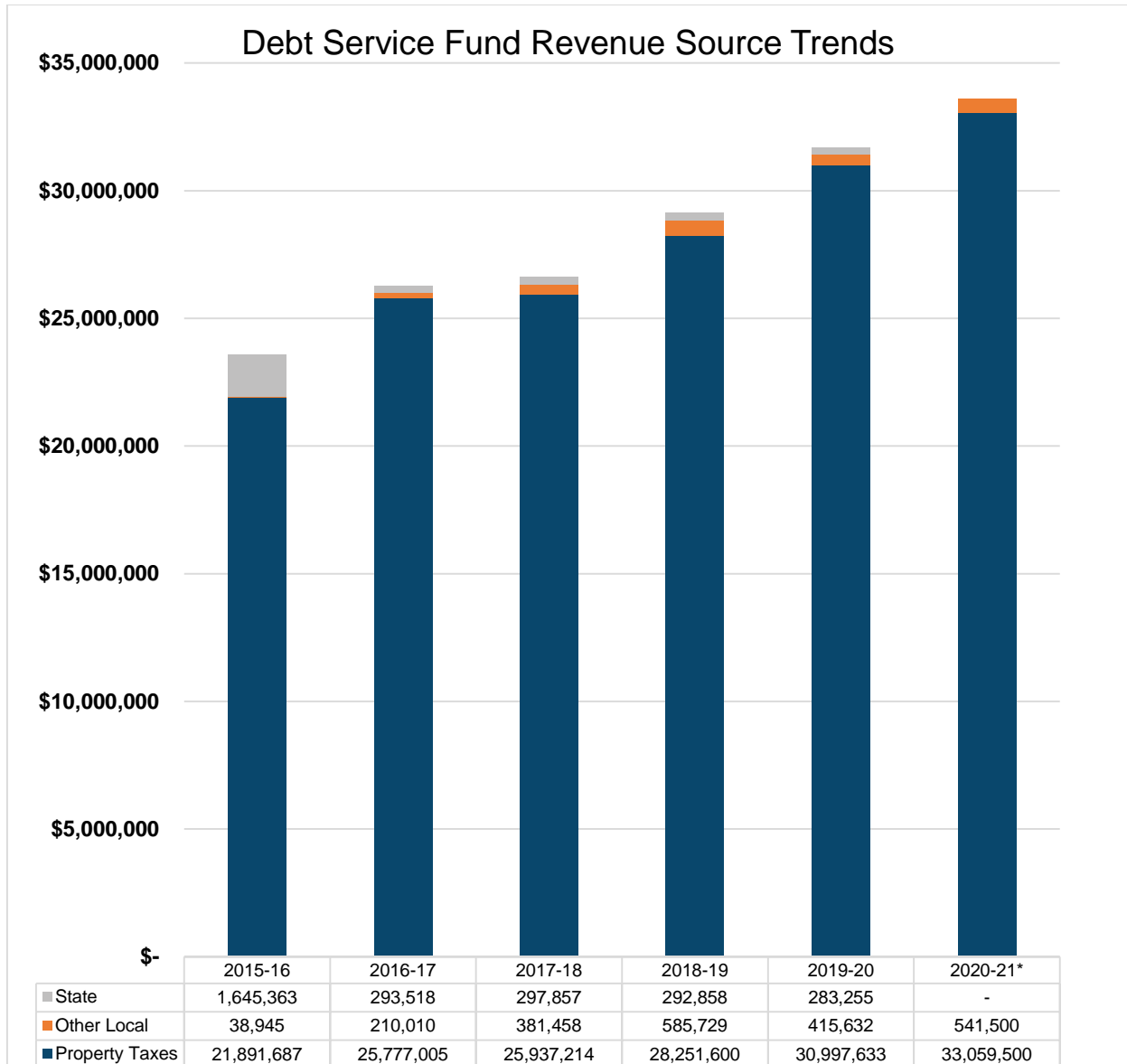
A majority of funding is derived from a designated allocation of the property tax rate, 97.80% for 2019-20. The remainder of locally sourced Debt Service revenue is from interest income derived from temporary investments, 1.31% of total Debt Service revenues for 2019-20.

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 0.89% of the District's Debt Service revenue in 2019-20.

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



*Budget

Expenditures

The Debt Service budget for FY 2020-21 includes \$16,192,496 for principal and \$17,402,504 for interest on outstanding bonds, and \$6,000 for fees associated with these payments. The total amount of outstanding Debt for Galena Park ISD as of September 1st is \$623,814,681.

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 3.81%. 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, 2020 total \$368,848,148 in principal payments and \$254,966,533 in interest payments.

Legal Debt Margin Calculation

| | |
|--|-------------------------|
| Assessed Taxable Value | \$9,807,761,009 |
| Add back: | |
| Exempt Real Property | 2,408,313,931 |
| Total Assessed Value | \$12,216,074,940 |
| Debt Limit (10% of total assessed value) | \$1,221,607,494 |
| Debt Applicable to Limit: | |
| Schoolhouse and Refunding Bonds | 465,074,698 |
| Less: Amount set aside for repayment of bonds | <u>(9,888,038)</u> |
| Total Net Debt Applicable to Limit | 455,186,660 |
| Legal Debt Margin | \$766,420,834 |
| | |
| Total Net Debt Applicable to the Limit as a Percentage of Debt Limit | 37.26% |
| | |
| Ratio of net bonded debt to assessed value | 3.81% |

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, 2020.

Outstanding Debt Repayment Schedule

| Fiscal Year Ending (Aug 31) | Series 1996 | Series 2002 | Series 2011 | Series 2012 | Series 2013 | Series 2013 | Series 2014 |
|-----------------------------|---|---|---|---|---|--|---|
| | Building & Ref EDA PSF Guaranteed (Non-Callable) | Building & Ref IFA/EDA PSF Guaranteed (Non-Callable) | Refunding IFA/EDA PSF Guaranteed (2/15/2021) | Refunding IFA/EDA PSF Guaranteed (8/15/2022) | Refunding EDA PSF Guaranteed (2/15/2023) | Taxable Refunding IFA/EDA PSF Guaranteed (Non-Callable) | Refunding IFA/EDA PSF Guaranteed (2/15/2024) |
| 2021 | \$ 4,720,000 | \$ - | \$ 214,000 | \$ 2,658,063 | \$ 465,125 | \$ 4,352,425 | \$ 1,235,213 |
| 2022 | 4,720,000 | 2,530,000 | 735,800 | 328,213 | 263,725 | | 975,363 |
| 2023 | 4,720,000 | 2,530,000 | 731,600 | 361,013 | 243,025 | | 982,413 |
| 2024 | 4,720,000 | 2,525,000 | 736,600 | 352,613 | 242,775 | | 1,008,563 |
| 2025 | 4,720,000 | 2,520,000 | 735,400 | 369,213 | 242,375 | | 1,003,213 |
| 2026 | 4,720,000 | 2,525,000 | 733,200 | 365,063 | 236,825 | | 1,017,263 |
| 2027 | 4,720,000 | 10,275,000 | | 265,763 | 240,813 | | 660,113 |
| 2028 | 4,725,000 | 10,270,000 | | 269,163 | 239,475 | | 662,863 |
| 2029 | 4,720,000 | 10,275,000 | | 266,688 | 242,475 | | 665,013 |
| 2030 | 4,720,000 | 10,280,000 | | 264,050 | 240,125 | | 225,025 |
| 2031 | 4,720,000 | 10,275,000 | | 261,250 | 242,063 | | 217,713 |
| 2032 | | 14,995,000 | | 263,288 | 238,625 | | 205,400 |
| 2033 | | | | | | | 202,800 |
| 2034 | | | | | | | |
| 2035 | | | | | | | |
| 2036 | | | | | | | |
| 2037 | | | | | | | |
| 2038 | | | | | | | |
| 2039 | | | | | | | |
| 2040 | | | | | | | |
| 2041 | | | | | | | |
| | <u>\$ 51,925,000</u> | <u>\$ 79,000,000</u> | <u>\$ 3,886,600</u> | <u>\$ 6,024,375</u> | <u>\$ 3,137,425</u> | <u>\$ 4,352,425</u> | <u>\$ 9,060,950</u> |

In the fall of 2019, the District issued the remaining \$105 million from the voter approved \$290 million May 2016 bond election resulting in an increase of approximately \$2.3 million from the bond payment at the time of adoption.

In May 2020, \$14,850,000 of the Series 2010 Bonds was refunded. By lowering the average interest rate on those Bonds from 4.33% to an average of 2.17% the district was able to save \$4,249,864 in interest cost over the remaining life of the bonds. The District makes every effort to refund bond sales when interest rates are low, to continue saving interest costs for the district's taxpayers.

| Fiscal Year Ending (Aug 31) | Series 2015 Refunding IFA/EDA PSF Guaranteed (Non-Callable) | Series 2016 Refunding IFA/EDA PSF Guaranteed (8/15/2026) | Series 2017 Refunding IFA/EDA PSF Guaranteed (2/15/2027) | Series 2018 Building & Ref IFA/EDA PSF Guaranteed (2/15/2028) | Series 2019 Refunding IFA/EDA PSF Guaranteed (2/15/2029) | Series 2020 Refunding IFA/EDA PSF Guaranteed (2/15/2030) | Total Outstanding Voted Bond Debt Service |
|-----------------------------|---|--|--|---|--|--|---|
| 2021 | \$ 450,063 | \$ 5,664,575 | \$ 2,275,950 | \$ 7,012,100 | \$ 3,782,700 | \$ 764,050 | \$ 33,594,263 |
| 2022 | 905,163 | 6,681,325 | 4,896,200 | 7,013,900 | 4,769,700 | 659,550 | 34,478,938 |
| 2023 | 901,313 | 6,680,325 | 4,882,950 | 7,008,150 | 5,761,950 | 559,550 | 35,362,288 |
| 2024 | 890,013 | 6,684,575 | 4,876,200 | 7,005,650 | 5,761,700 | 559,050 | 35,362,738 |
| 2025 | 898,613 | 6,678,325 | 4,870,200 | 7,000,900 | 5,765,950 | 558,300 | 35,362,488 |
| 2026 | 899,600 | 6,671,575 | 4,869,450 | 6,993,650 | 5,764,200 | 567,300 | 35,363,125 |
| 2027 | | 4,993,825 | 898,200 | 6,993,650 | 5,761,450 | 555,550 | 35,364,363 |
| 2028 | | 4,989,238 | 891,200 | 6,995,150 | 5,762,450 | 559,050 | 35,363,588 |
| 2029 | | 4,989,613 | 893,400 | 6,992,650 | 5,766,700 | 552,050 | 35,363,588 |
| 2030 | | 5,430,875 | 894,400 | 6,990,250 | 5,758,700 | 560,050 | 35,363,475 |
| 2031 | | 5,446,213 | 889,200 | 6,987,550 | 5,763,700 | 562,300 | 35,364,988 |
| 2032 | | 5,438,963 | 913,000 | 6,985,725 | 5,760,700 | 565,700 | 35,366,400 |
| 2033 | | 5,529,338 | 1,159,600 | 11,491,925 | 8,259,700 | 7,218,700 | 33,862,063 |
| 2034 | | 5,124,838 | | 11,871,050 | 8,261,100 | 6,133,650 | 31,390,638 |
| 2035 | | 5,127,606 | | 6,162,250 | 8,262,700 | | 19,552,556 |
| 2036 | | 5,127,488 | | 6,164,250 | 8,264,100 | | 19,555,838 |
| 2037 | | 5,124,100 | | 6,164,250 | 8,259,900 | | 19,548,250 |
| 2038 | | 5,126,500 | | 6,162,750 | 8,261,150 | | 19,550,400 |
| 2039 | | 5,124,850 | | 6,164,250 | 8,260,950 | | 19,550,050 |
| 2040 | | 5,124,150 | | 6,163,000 | 8,259,150 | | 19,546,300 |
| 2041 | | 5,124,250 | | 6,163,500 | 8,260,600 | | 19,548,350 |
| | \$ 4,944,763 | \$ 116,882,544 | \$ 33,209,950 | \$ 150,486,550 | \$ 140,529,250 | \$ 20,374,850 | \$623,814,681 |

As additional bonds are sold, the total principal and interest amount will increase; the interest amount will vary depending on the interest rate the District is able to secure. The District currently holds a Moody's credit rating of Aa1, and a Fitch credit rating of AA+.

Computation of Estimated Direct and Overlapping Debt

For the Year Ended August 31, 2020

| <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> | | |
| Cities: | | | | |
| Galena Park | \$4,595,000 | 8/31/2020 | 100.00% | \$4,595,000 |
| Houston | 3,423,995,000 | 8/31/2020 | 0.30% | 10,271,985 |
| Jacinto City | 925,000 | 8/31/2020 | 38.03% | 351,778 |
| Counties: | | | | |
| Harris | 1,867,957,125 | 8/31/2020 | 2.01% | 37,545,938 |
| Municipal Utility Districts: | | | | |
| Harris Co. MUD 8 | 2,440,000 | 8/31/2020 | 100.00% | 2,440,000 |
| Harris Co. MUD 53 | 9,185,000 | 8/31/2020 | 24.62% | 2,261,347 |
| Harris Co. MUD 285 | 59,090,000 | 8/31/2020 | 64.26% | 37,971,234 |
| Harris Co. MUD 421 | 3,150,000 | 8/31/2020 | 30.14% | 949,410 |
| Water Control and Improvement Districts | | | | |
| Harris Co. WC&ID 36 | 9,065,000 | 8/31/2020 | 100.00% | 9,065,000 |
| Port of Houston Authority | 514,174,397 | 8/31/2020 | 2.01% | 10,334,905 |
| Other Governmental Entities: | | | | |
| Harris County Department of Education | 6,320,000 | 8/31/2020 | 2.01% | 127,032 |
| Harris County Flood Control District | 83,075,000 | 8/31/2020 | 2.01% | 1,669,808 |
| Harris Co. FWSD 47 | 4,985,000 | 8/31/2020 | 21.98% | 1,095,703 |
| Harris Co. FWSD 51 | 12,650,000 | 8/31/2020 | 100.00% | 12,650,000 |
| Harris County Hospital Distirct | 86,050,000 | 8/31/2020 | 2.10% | 1,807,050 |
| Harris County Improvement Department | 4,075,000 | 8/31/2020 | 58.02% | 2,364,315 |
| Harris County Toll Road Authority | - | 8/31/2020 | 2.01% | - |
| San Jacinto Community College District | 480,440,414 | 8/31/2020 | 16.01% | 76,918,510 |
| Subtotal, overlapping debt | | | | \$212,419,015 |
| Galena Park Independent School District Direct Debt | | | | \$404,334,676 |

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.

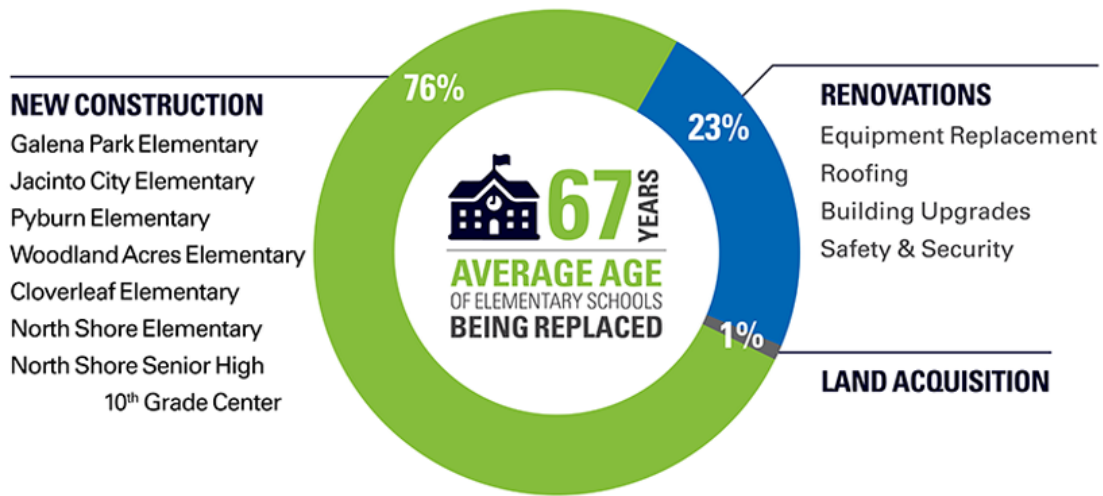
Capital Projects

The most recent bond election was held on May 7, 2016 for \$290 million, passing by 72%. The District is using the bond funds to address aging facilities, student safety and 21st century education, which includes renovations to all 25 educational facilities and 9 support facilities. As of the budget adoption date, a total of \$185 million in authorized debt has been issued, with \$105 million remaining unissued. Each debt issuance is recorded in a separate fund. Transactions for the 2016 issuance of \$90 million is recorded in Fund 630, and the 2018 issuance of \$95 million is reported in Fund 631. The District sold the remaining \$105 million in October 2019, reported in Fund 632.

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

An overview of the plan was available on the District’s website (<http://www.galenaparkisd.com/bond2016/>) prior to the election and will remain on the website for the duration of the construction process.

Bond 2016 Overview



The Capital Projects Fund expenses are all related to the construction and equipping of new school facilities, to purchase school sites, and renovations or repair of existing facilities. The Board of Trustees does not formally adopt the Capital Project Funds budget annually. The following table breaks down the expenses for the bond program through August 31, 2019.

2016 Bond Program Financial Report

As of August 31, 2020

| Project Description | Original Budget | Adjusted Budget | Expenditures to Date | Reserved in Purchase Orders | Balance |
|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------------|----------------------|
| Projects Completed | | | | | |
| Renovations | | | | | |
| Cimarron Elementary | \$ 2,061,203 | \$ 2,104,921 | \$ 2,104,921 | \$ - | \$ - |
| Galena Park High School | - | 1,688,970 | 1,688,970 | - | - |
| Galena Park Middle | 96,624 | 87,342 | 87,342 | - | - |
| MacArthur Elementary | 1,988,730 | 619,845 | 619,845 | - | - |
| Maintenance Facility | 24,876 | 79,759 | 79,759 | - | - |
| Normandy Crossing Elementary | 1,506,325 | 735,739 | 735,739 | - | - |
| North Shore Middle | 503,332 | 864,802 | 864,802 | - | - |
| North Shore Senior High | 3,097,226 | 3,193,986 | 3,193,986 | - | - |
| North Shore Senior 9th Grade | 1,205,866 | 347,128 | 347,128 | - | - |
| Williamson Elementary | 3,510,711 | 356,776 | 356,776 | - | - |
| Total Projects Completed | \$ 13,994,893 | \$ 10,079,269 | \$ 10,079,269 | \$ - | \$ - |
| Projects In Construction | | | | | |
| Replacement | | | | | |
| Cloverleaf Elementary | \$ 34,024,795 | \$ 27,366,930 | \$ 25,923,617 | \$ 1,316,286 | \$ 127,027 |
| Galena Park Elementary | 26,609,394 | 25,055,234 | 25,055,234 | - | - |
| Jacinto City Elementary | 34,024,795 | 30,607,081 | 24,786,257 | 5,615,839 | 204,985 |
| North Shore Elementary | 33,679,800 | 31,208,856 | 31,100,023 | 108,833 | - |
| Woodland Acres Elementary | 24,400,284 | 20,100,252 | 20,100,252 | - | - |
| Addition | | | | | |
| North Shore Senior 10th Grade | 34,191,876 | 28,244,976 | 28,244,976 | - | - |
| Renovations | | | | | |
| Renovations - Summer 2019 | 14,508,704 | 11,567,705 | 10,226,994 | 1,340,711 | - |
| Renovations - Summer 2020 | 2,585,021 | 4,039,813 | 461,299 | 2,823,023 | 755,490 |
| Addition/Renovation | | | | | |
| Galena Park High | 21,538,717 | 47,697,408 | 1,294,159 | 12,309,193 | 34,094,057 |
| Total Projects in Construction | \$ 225,563,386 | \$ 225,888,255 | \$ 167,192,810 | \$ 23,513,885 | \$ 35,181,560 |
| Projects In Design | | | | | |
| Replacement | | | | | |
| Pyburn Elementary | \$ 30,551,527 | \$ 29,168,421 | \$ 919,005 | \$ 1,242,185 | \$ 27,007,231 |
| Projects Pending | | | | | |
| Renovations | | | | | |
| Summer 2021 | \$ 1,409,928 | \$ 1,707,085 | \$ - | \$ - | \$ 1,707,085 |
| Summer 2022 | 771,506 | 1,018,388 | - | - | 1,018,388 |
| Other | 15,208,761 | 18,435,358 | 538,588 | 64,585 | 17,832,186 |
| Total Projects Pending | \$ 17,390,194 | \$ 21,160,831 | \$ 538,588 | \$ 64,585 | \$ 20,557,658 |
| Land Acquisition | | | | | |
| Total Land Acquisition | \$ 2,500,000 | \$ 2,926,913 | \$ 2,926,913 | \$ - | \$ - |
| Payroll | | | | | |
| Total Payroll | \$ - | \$ 150,000 | \$ 120,309 | \$ - | \$ 29,691 |
| Miscellaneous | | | | | |
| Total Miscellaneous | \$ - | \$ 626,311 | \$ 475,534 | \$ - | \$ 150,776 |
| Total All 2016 Bond Projects | \$ 290,000,000 | \$ 290,000,000 | \$ 182,252,429 | \$ 24,820,655 | \$ 82,926,916 |

Completed New Construction Projects

Galena Park Elementary

Original construction dated back to 1936 and was 82 years old when the facility was fully demolished. The newly constructed building opened in August 2018 with a total of 91,901 square feet and a capacity for 800 students. Open for the 2018-19 school year.



North Shore Elementary

The original school building was built in 1961 and was 57 years old at the time the replacement campus opened its doors in August 2018. The newly constructed building is 133,598 square feet with a capacity of 1,025 students. Open for the 2018-19 school year.



Woodland Acres Elementary

The original school opened in 1954 and was replaced 64 years later when the replacement campus opened in August 2018. The newly constructed building is 80,497 square feet with a capacity of 750 students. Open for the 2018-19 school year.



North Shore Senior High 10th Grade Center

The new center opened in August 2018 to provide a separate center for the 10th grade students at North Shore Senior High, with a building square footage of 125,000 and a capacity of 1,200 students. This new center added a Principal and administrative staff positions. Open for the 2018-19 school year.



Cloverleaf Elementary

The original school opened in 1943 and was replaced 76 years later when the replacement campus opened in August 2019. The newly constructed building is 114,450 square feet with a capacity of 968 students. Open for the 2019-20 school year.



Jacinto City Elementary

The original school opened in 1944 and was replaced 76 years later when the replacement campus opened in August 2020. The newly constructed building is 119,712 square feet with a capacity of 980 students. Open for the 2020-21 school year.



New Construction Projects Pending

There are a number of active construction projects currently underway as of August 31, 2020, including replacement of the Pyburn Elementary campus.

Pyburn Elementary



FACILITY AGE

YEARS

PROPOSED

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



Estimated start: August 2021

An architect change was approved by the Board in August 2020, with the schematic design approved by the Board in November 2020. The project is currently in the design development stage with plans to bid the project in June 2021. Construction is anticipated to begin in August 2021.

Completed Facility Renovation Projects

The Central Plant Upgrade at Galena Park High School was completed during summer 2018 for a total project cost of \$941,000.

Ongoing Facility Renovation Projects

Galena Park High School

The project is currently in progress for significant additions planned for this campus, along with various renovations. Phase 1 of the Galena Park High School renovation project is currently in construction for a 12 classroom addition with an anticipated completion date of August 2021. A masterplan for that site is currently being designed and evaluated for potential phases 2-5, which will include an updated cafeteria and career and technical education facilities.

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 2019-20, \$649,531 was collected from these fees, comprising 4.68% of total Food Service revenues. Several factors attribute to projected decreases in Local Revenues for the Food Service fund:

Community Eligibility Provision

The Community Eligibility Provision (CEP) is a non-pricing meal service option for schools and school districts in low-income areas. CEP allows the nation's highest poverty schools and districts to serve breakfast and lunch at no cost to all enrolled students without collecting household applications. Instead, schools that adopt CEP are reimbursed using a formula based on the percentage of students categorically eligible for free meals based on their participation in other specific means-tested programs, such as the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF).

COVID-19

The District has evolved operations to adjust for Federal, State and Local guidelines dealing with the 2019 novel coronavirus (COVID-19) pandemic. Adjustments included temporary closure of facilities during the Spring semester of 2020, and offering both in-person and virtual instructional settings for students through the 2021 school year. A reduced number of students on campus has resulted in less opportunity for the District to realize a-la-carte meal sales. Meal distribution options for students participating in a virtual instructional setting have included both curbside pickup at select campuses and Bus-stop pickup at locations within the community, covered by the aforementioned CEP.

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 receive 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 2019-20 fiscal year, the district served a total of 1,609,271 breakfasts and 1,956,212 lunches that qualified for reimbursement, receiving \$11,761,094 in National School Breakfast and Lunch Program reimbursements during the fiscal year, which accounted for 84.81% of overall Food Service revenues.

The payments and rates are prescribed on an annual basis each July. The annual payments and rates adjustments for the National School Lunch and School Breakfast Programs reflect changes in the Food Away From Home series of the Consumer Price Index for All Urban Consumers.

Effective July 1, 2020 – June 30, 2021, the program reimbursement rates are as follows:

| School Breakfast Program | | School Lunch Program | |
|--------------------------|---------|----------------------|---------|
| Paid | \$ 0.32 | Paid | \$ 0.33 |
| Reduced | 1.59 | Reduced | 3.11 |
| Free | 1.89 | Free | 3.51 |

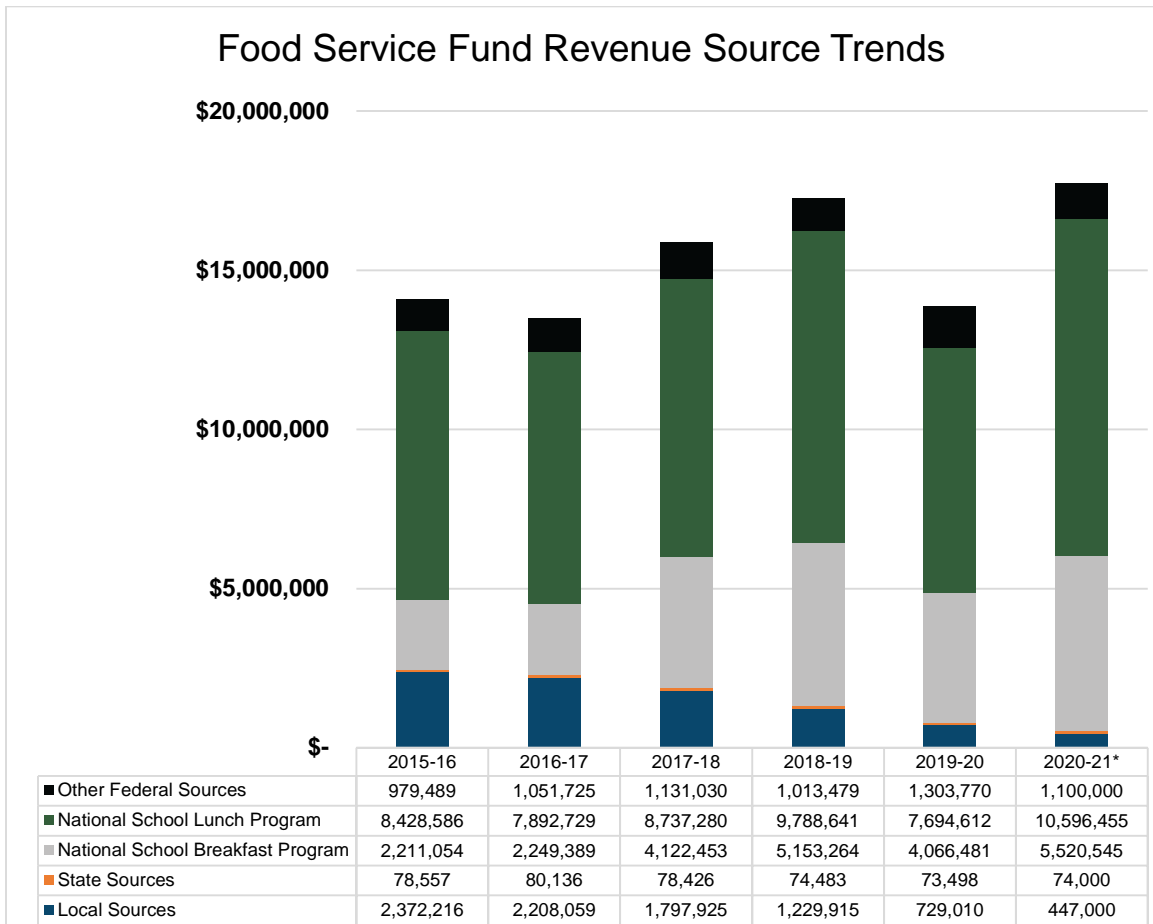
Source: Texas Department of Agriculture

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 decrease \$241,000 or (1.34%) over the 2019-20 beginning budget expenditures.

The following table provides a comparison by Major Object for the 2019-20 and 2020-21 beginning budgets.

| | Beginning Budget 2019-20 | Beginning Budget 2019-20 | Percentage change |
|------------------------|-----------------------------|-----------------------------|----------------------|
| Payroll | \$7,455,249 | \$7,109,496 | -4.64% |
| Purchased Services | 307,825 | 252,800 | -17.88% |
| Supplies and Materials | 9,959,777 | 10,231,849 | 2.73% |
| Other Operating Costs | 43,355 | 44,855 | 3.46% |
| Capital Outlay | 212,794 | 99,000 | -53.48% |
| Total | \$17,979,000 | \$17,738,000 | -1.34% |

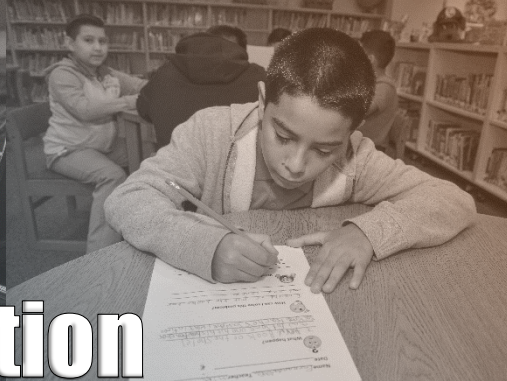
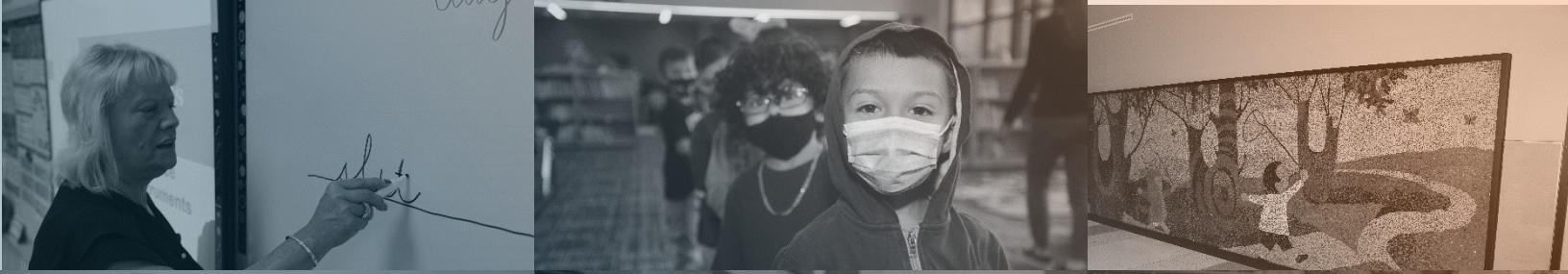
Over 90% of the Food Service expenditures are related to payroll and food costs.

Fund Balance

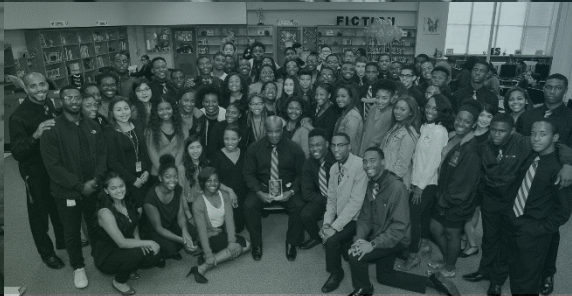
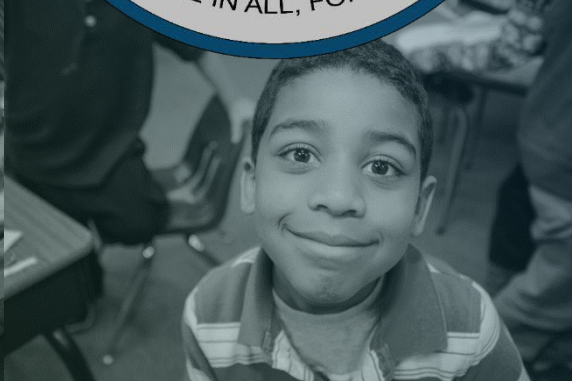
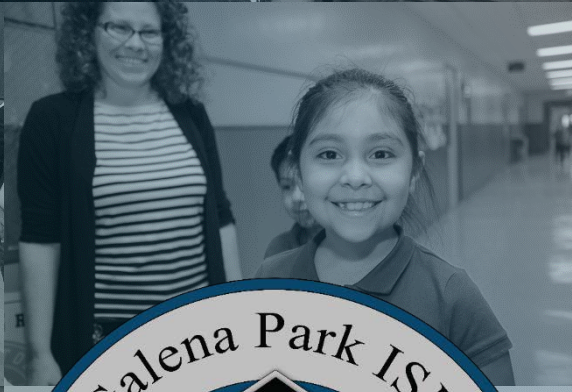
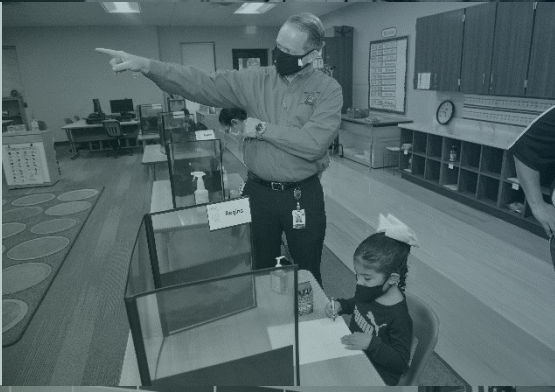
The fund balance for Food Service should not exceed three months of average food service operating expenditures. Currently, the fund balance is projected to be \$3,604,451 at August 31, 2021.



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Informational Section



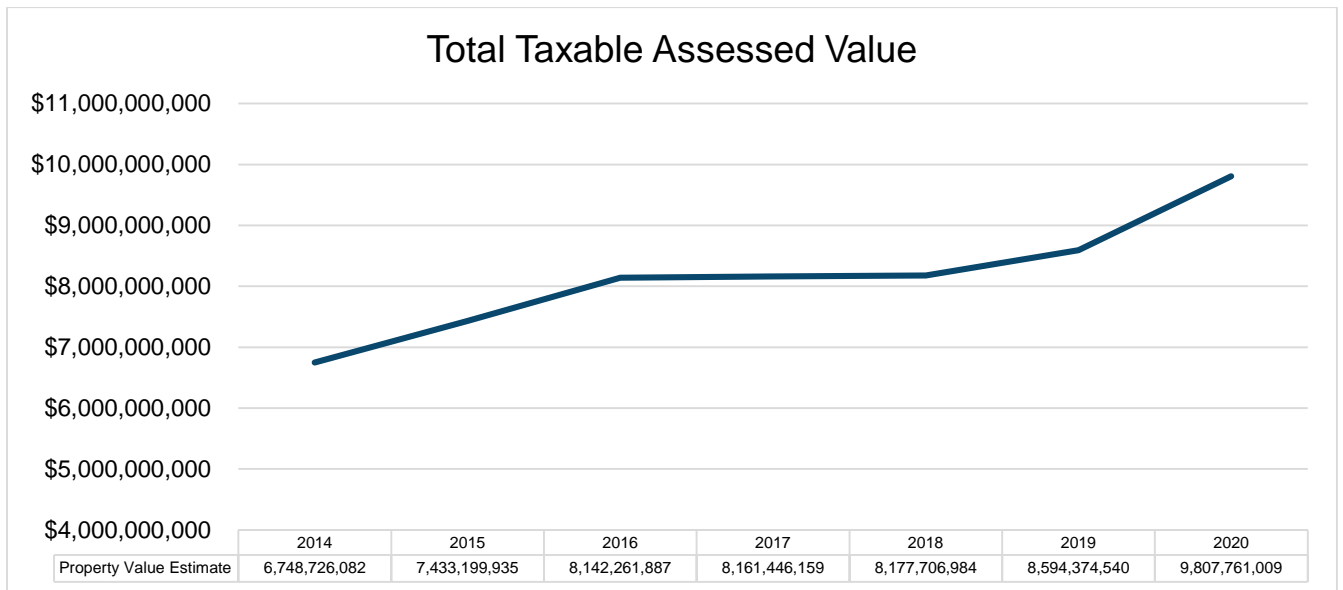
Financial Forecast

Many factors must be considered when formulating a long range budget forecast, including property tax valuation estimates, enrollment projections, state aid estimates, legislative changes and economic conditions. Each element impacts the budgets of the forecasted years.

Property Taxes

Since the state of Texas has no state property tax, local entities both set rates and collect taxes to fund the services they provide. Examples of these entities include school districts, counties, cities, and special purpose districts.

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 depicted in the graph below.



Values are for the fiscal year, ending on August 31.

Property values located within the boundaries of Galena Park ISD are determined by the Harris County Appraisal District, and are based on market conditions at that time. The District uses this value to estimate tax collections for budgeting revenues. For projecting future year values, a conservative growth rate of 1.00% - 1.75% is used.

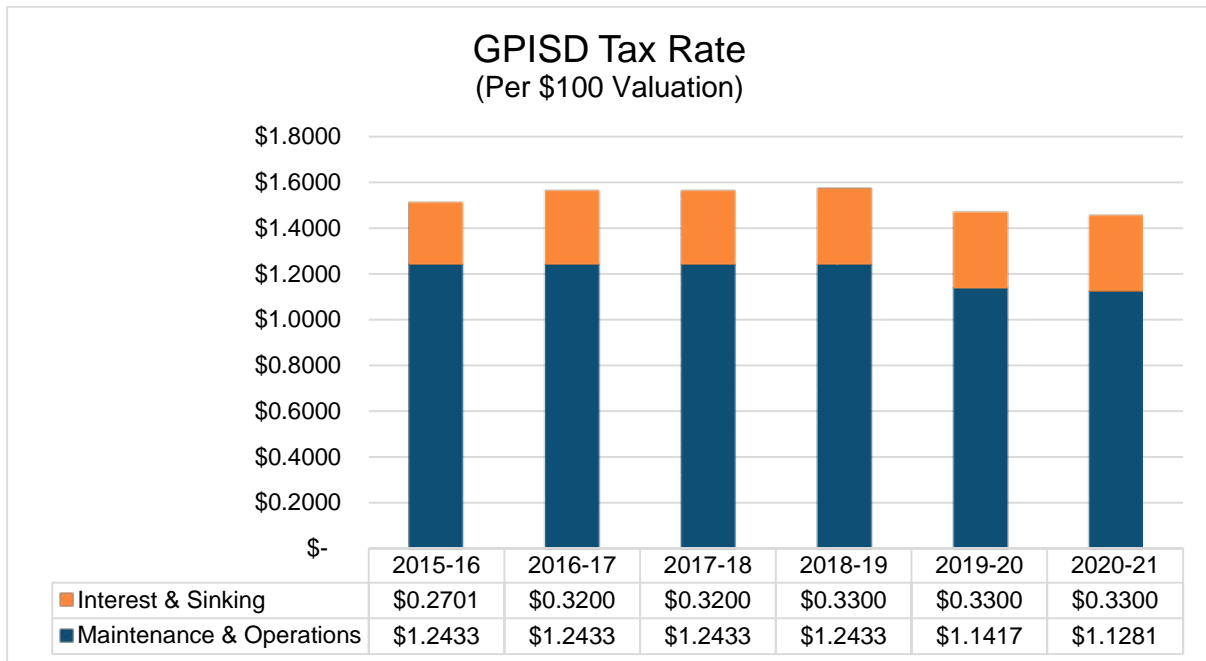
| 2020 | 2021 | 2022 | 2023 |
|-----------------|------------------|------------------|------------------|
| \$9,807,761,009 | \$10,218,158,748 | \$10,230,061,522 | \$10,409,087,598 |

Truth in Taxation

Creating a budget and adopting a property tax rate to support that budget are major functions of a taxing unit's governing body. This is accomplished by following truth-in-taxation requirements to ensure the public is informed of any increases. School districts add four cents to the lesser of the compressed operating tax rate or the No-new-revenue M&O rate to get their highest M&O rate. They then add the debt rate to get the final Voter-approved-tax-rate. For additional information related to the compressed tax rate, see the Financial section.

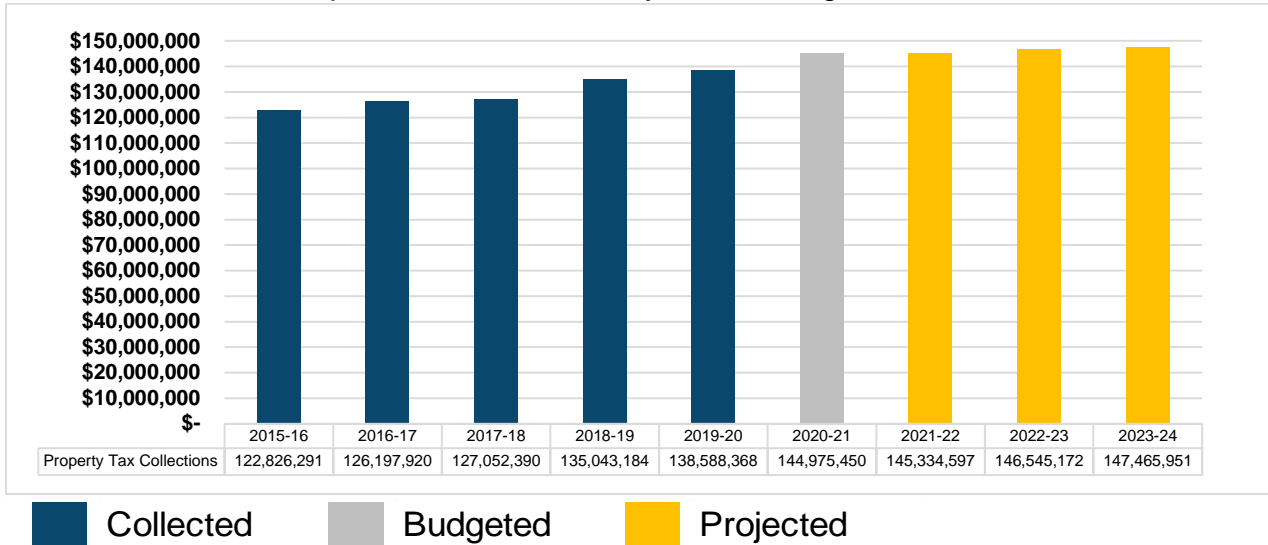
Source: Texas Comptroller of Public Accounts <https://comptroller.texas.gov/taxes/property-tax/truth-in-taxation/>

The tax rates applicable to the Maintenance & Operation and Interest & Sinking for fiscal year 2020-21 are \$1.1281 and \$0.3300, respectively.



Property Tax Collections

To budget revenue receipts for Property Tax collections, the District estimates 1.00% - 1.75% property value growth and assumes a collection rate of 97.0%; this takes into consideration rate compressions mandated by the 86th Legislature.



Property values are determined by the Harris County Appraisal District as of January 1st of each year. The District must adopt tax rate by September 29th or 60 days after receiving the certified appraisal roll (whichever date is later), thus creating the tax levy.

Impact on Taxpayers

The table below shows the calculated property tax bill for a home in the District boundaries, valued at \$100,000.

| | Actuals | | | Current | Adopted |
|----------------------------------|-----------|-----------|-----------|-----------|-----------|
| | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
| Assessed value of home | \$100,000 | \$100,000 | \$100,000 | \$100,000 | \$100,000 |
| Less: 20% Local Option Exemption | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Less: Homestead exemption | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Taxable Value | \$55,000 | \$55,000 | \$55,000 | \$55,000 | \$55,000 |
| Total property tax rate | \$1.5633 | \$1.5633 | \$1.5733 | \$1.4717 | \$1.4581 |
| Property tax due | \$859.82 | \$859.82 | \$865.32 | \$809.44 | \$801.96 |

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

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

The table below provides a closer look at the impact the tax rate has on the average residence within the boundaries of the District. The table includes average Market values as well as the average taxable value of residences, and is included in the annually published notice regarding the District's public meeting to discuss the proposed annual budget and tax rate.

| | <u>Last Year</u> | <u>This Year</u> |
|---|------------------|------------------|
| Average Market Value of Residences | \$114,010 | \$125,778 |
| Average Taxable Value of Residences | \$71,710 | \$69,790 |
| Last Year's Rate verses Proposed rate per \$100 Value | \$1.47165 | \$1.46060 |
| Taxes Due on Average Residence | \$1,055.32 | \$1,019.35 |
| Increase (Decrease) in Taxes | | (\$35.97) |

This notice was published on Thursday, August 13, 2020, in Issue Number 336 of the North Channel Star newspaper. The actual tax rate adopted is less than the rate proposed in this publication.



Enrollment and Attendance History

The chart below shows the historical student enrollment for the District's campuses, including students enrolled in disciplinary and non-disciplinary alternative education programs. These totals are reported in the PEIMS Fall Submission.

| Campus | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| GALENA PARK H S | 2,033 | 2,067 | 2,062 | 2,050 | 2,016 | 1,843 | 1,813 | 1,876 |
| NORTH SHORE SENIOR HIGH | 4,723 | 4,664 | 4,641 | 4,835 | 4,778 | 4,537 | 4,552 | 4,604 |
| HIGHPOINT SCHOOL EAST (DAEP) | 12 | 9 | 12 | 6 | 2 | 7 | 8 | 1 |
| JUVENILE JUSTICE AEP | 0 | 3 | 1 | 1 | 1 | 1 | 4 | 0 |
| EARLY COLLEGE HIGH SCHOOL | - | - | - | - | - | 482 | 487 | 477 |
| GALENA PARK MIDDLE | 1,038 | 1,044 | 999 | 1,024 | 1,013 | 1,064 | 1,104 | 1,081 |
| NORTH SHORE MIDDLE | 1,328 | 1,357 | 1,395 | 1,398 | 1,406 | 1,380 | 1,351 | 1,380 |
| WOODLAND ACRES MIDDLE | 462 | 463 | 523 | 542 | 534 | 514 | 546 | 568 |
| CUNNINGHAM MIDDLE | 940 | 1,014 | 958 | 1,015 | 988 | 962 | 986 | 977 |
| COBB 6TH GRADE CAMPUS | 1,179 | 1,110 | 1,167 | 1,168 | 1,141 | 1,155 | 1,253 | 1,153 |
| CIMARRON EL | 813 | 835 | 799 | 780 | 749 | 735 | 745 | 724 |
| CLOVERLEAF EL | 862 | 893 | 831 | 805 | 836 | 772 | 810 | 769 |
| GALENA PARK EL | 681 | 677 | 644 | 622 | 603 | 602 | 582 | 574 |
| GREEN VALLEY EL | 764 | 774 | 806 | 780 | 764 | 677 | 689 | 620 |
| JACINTO CITY EL | 856 | 832 | 827 | 791 | 784 | 721 | 700 | 685 |
| MACARTHUR EL | 727 | 717 | 707 | 711 | 768 | 708 | 672 | 630 |
| NORTH SHORE EL | 915 | 938 | 987 | 995 | 969 | 992 | 1,002 | 969 |
| PYBURN EL | 697 | 698 | 649 | 642 | 653 | 599 | 594 | 554 |
| WOODLAND ACRES EL | 427 | 432 | 438 | 459 | 468 | 481 | 459 | 468 |
| TICE EL | 735 | 739 | 700 | 714 | 690 | 680 | 716 | 655 |
| PURPLE SAGE EL | 521 | 515 | 568 | 596 | 548 | 528 | 559 | 544 |
| JAMES B HAVARD EL | 681 | 690 | 682 | 700 | 690 | 711 | 652 | 607 |
| NORMANDY CROSSING EL | 646 | 668 | 643 | 668 | 664 | 632 | 656 | 607 |
| DR SHIRLEY J WILLIAMSON EL | 694 | 711 | 641 | 628 | 688 | 680 | 685 | 659 |
| SAM HOUSTON EL | 838 | 875 | 869 | 854 | 838 | 826 | 803 | 737 |
| TOTAL | 22,572 | 22,725 | 22,549 | 22,784 | 22,591 | 22,289 | 22,428 | 21,919 |



Enrollment data is useful to plan for staffing ratios and potential student needs, but the formulas of the Foundation School Program (FSP) use student attendance data to calculate the necessary funding levels. Individual student populations are granted varying weights, based on the estimated costs of additional requirements to support the unique needs of that population. Thus, Weighted Average Daily Attendance (WADA) is an important aspect when developing a school district budget. The following table shows the attendance data used for these formulas:

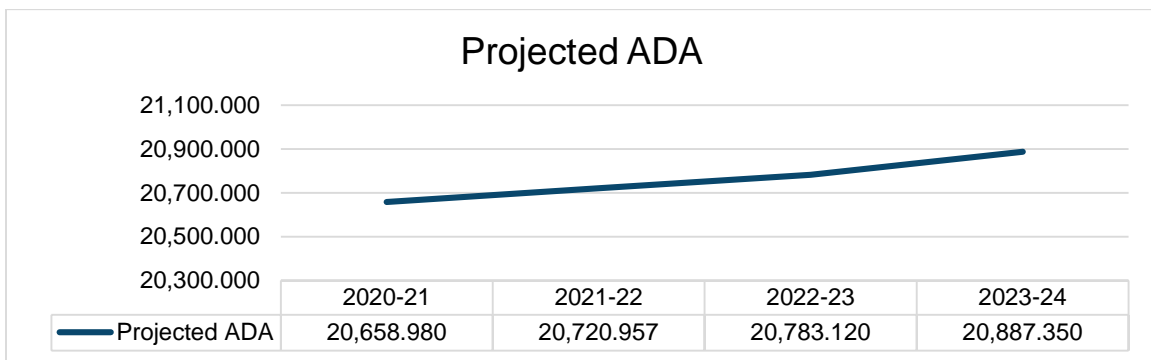
| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|--|----------------|----------------|----------------|----------------|----------------|
| Total Refined ADA (includes EE-12) | 21,015.705 | 21,195.331 | 21,282.000 | 20,772.560 | 20,779.551 * |
| Career & Technical Education FTE | 1,334.892 | 1,495.893 | 1,426.882 | 1,431.875 | 1,518.297 |
| Total Special Education FTE | 501.841 | 468.961 | 464.646 | 504.462 | 545.093 |
| Speech Therapy FTE | 20.194 | 21.410 | 20.956 | 21.214 | 24.587 |
| Homebound FTE | 2.102 | 1.931 | 0.888 | 0.957 | 0.574 |
| Hospital Class FTE | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Resource Room FTE | 304.027 | 289.750 | 296.348 | 322.911 | 345.317 |
| VAC FTE | 25.582 | 24.899 | 9.115 | 4.848 | 4.533 |
| Off Home Campus FTE | 8.242 | 0.605 | 1.008 | 0.803 | 0.517 |
| State School FTE | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Residential Care/Treat FTE | 0.000 | 0.000 | 0.000 | 0.227 | 0.000 |
| Self-Contained Mild/Mod FTE | 131.029 | 130.285 | 135.554 | 136.542 | 152.577 |
| Full-Time Early Spec Ed | 10.665 | 6.609 | 8.370 | 16.960 | 16.988 |
| Special Education Mainstream Refined ADA | 540.564 | 655.890 | 670.425 | 680.714 | 701.750 |
| Bilingual/ESL Refined ADA | 6,686.096 | 6,612.584 | 6,357.546 | 6,807.770 | 7,171.071 |
| Pregnancy Related Services FTE | 6.219 | 7.038 | 3.174 | 3.997 | 2.008 |
| Gifted & Talented Enrollment # | 1,390.000 | 1,447.000 | 1,064.100 | 1,459.000 | 1,672.000 |
| LEP Counts # | 7,938.000 | 7,874.000 | 7,605.000 | 8,093.000 | 8,513.000 |
| Weighted ADA | 29,383.049 | 29,736.764 | 29,993.622 | 29,811.347 | 29,424.113 |

*The Total refined ADA for 2019-20 is the preliminary calculation submitted through PEIMS. Due to COVID-19, attendance for the second semester was modified by TEA for the 5th and 6th six-weeks.

The District reports pupil projections to the Texas Education Agency (TEA) each biennium; a template provided by the Agency is used to guide these projections. Enrollment is projected by grade by fitting a trend line to the historical data using the least squares method and using the trend to project future enrollment. ADA is estimated from projected enrollment.

Other student counts are estimated by trending the history of each special student population count against the ADA for that year and then applying the trend line to the projected ADA for future years.

This projection method will be most accurate in districts similar to Galena Park, where enrollment changes are driven largely by students moving into or out of the district and in districts where the programs operated are changing due to a change in the population being served. The compounding of the programs that are changing, however, may produce exaggerated changes in future year projections. For this reason, each of the other student counts and FTEs are carefully examined for reasonableness.



COVID-19 has impacted enrollment for the District, but an estimated 0.3% increase to ADA is being projected as the pandemic progresses through 2022-23 and 2023-24.

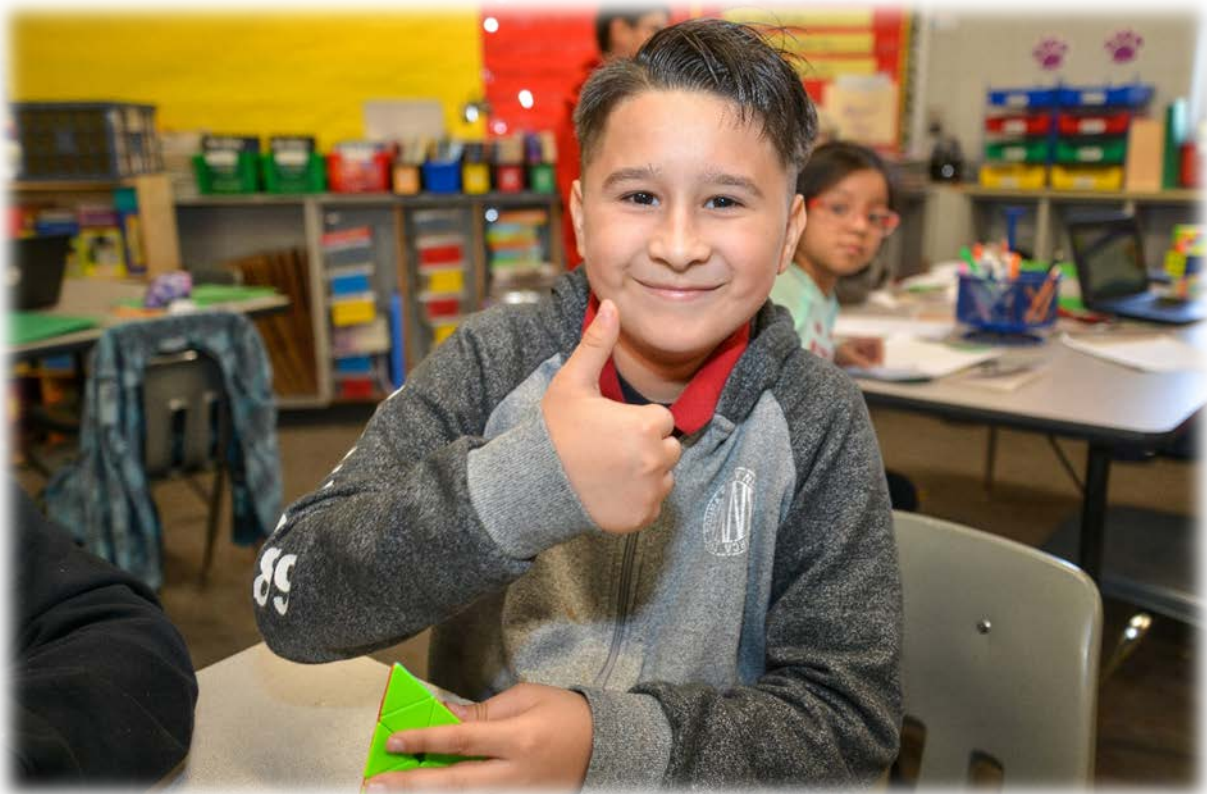
Personnel Resource Allocations

Approximately 80% of the District's budget is allocated to pay for salaries and other payroll aspects.

Total Staff (FTE) Count by Year

| | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|------------------------|----------------|----------------|----------------|----------------|----------------|
| Teachers | 1,410.3 | 1,401.2 | 1,409.3 | 1,358.8 | 1,374.8 |
| Professional Support | 400.8 | 392.7 | 370.4 | 411.9 | 384.4 |
| Campus Administration | 81.1 | 77.6 | 78.3 | 87.0 | 87.9 |
| Central Administration | 50.0 | 57.0 | 52.0 | 54.0 | 62.0 |
| Educational Aides | 204.4 | 244.6 | 239.4 | 249.7 | 271.0 |
| Auxiliary Staff | 793.6 | 979.6 | 1,044.0 | 1,056.9 | 1,075.4 |
| Total | 2,940.2 | 3,152.7 | 3,193.4 | 3,218.3 | 3,255.5 |

Increases in teachers and campus administration can be attributed to the mandated offering of full-day pre-kindergarten services in 2020-21, additional instructional support for the growing use of technology in the classroom setting, and educational aides specializing in special education have been needed for the increases seen in the population of students requiring special services.



Bond Amortization Schedule

Combined Semi-annual Debt Service

| Date | Principal | Current Interest Bond Interest | Capital Appreciation Bond Original Issue Premium + Accreted Interest | Total | Fiscal Year Total |
|-----------|--------------------|-----------------------------------|--|--------------------|--------------------|
| 2/15/2021 | | 6,757,131 | | 6,757,131 | |
| 8/15/2021 | 16,191,758 | 6,757,131 | 3,888,242 | 26,837,131 | 33,594,263 |
| 2/15/2022 | | 6,439,469 | | 6,439,469 | |
| 8/15/2022 | 15,985,716 | 6,439,469 | 5,614,284 | 28,039,469 | 34,478,938 |
| 2/15/2023 | | 6,103,644 | | 6,103,644 | |
| 8/15/2023 | 17,430,063 | 6,103,644 | 5,724,937 | 29,258,644 | 35,362,288 |
| 2/15/2024 | | 5,733,869 | | 5,733,869 | |
| 8/15/2024 | 18,075,673 | 5,733,869 | 5,819,327 | 29,628,869 | 35,362,738 |
| 2/15/2025 | | 5,346,244 | | 5,346,244 | |
| 8/15/2025 | 18,763,767 | 5,346,244 | 5,906,233 | 30,016,244 | 35,362,488 |
| 2/15/2026 | | 4,939,063 | | 4,939,063 | |
| 8/15/2026 | 19,490,023 | 4,939,063 | 5,994,977 | 30,424,063 | 35,363,125 |
| 2/15/2027 | | 4,504,681 | | 4,504,681 | |
| 8/15/2027 | 14,438,400 | 4,504,681 | 11,916,600 | 30,859,681 | 35,364,363 |
| 2/15/2028 | | 4,279,294 | | 4,279,294 | |
| 8/15/2028 | 14,706,442 | 4,279,294 | 12,098,558 | 31,084,294 | 35,363,588 |
| 2/15/2029 | | 4,039,294 | | 4,039,294 | |
| 8/15/2029 | 15,015,940 | 4,039,294 | 12,269,060 | 31,324,294 | 35,363,588 |
| 2/15/2030 | | 3,814,238 | | 3,814,238 | |
| 8/15/2030 | 15,300,710 | 3,814,238 | 12,434,290 | 31,549,238 | 35,363,475 |
| 2/15/2031 | | 3,599,994 | | 3,599,994 | |
| 8/15/2031 | 15,582,528 | 3,599,994 | 12,582,472 | 31,764,994 | 35,364,988 |
| 2/15/2032 | | 3,368,200 | | 3,368,200 | |
| 8/15/2032 | 15,202,127 | 3,368,200 | 13,427,873 | 31,998,200 | 35,366,400 |
| 2/15/2033 | | 3,111,031 | | 3,111,031 | |
| 8/15/2033 | 27,640,000 | 3,111,031 | | 30,751,031 | 33,862,063 |
| 2/15/2034 | | 2,647,819 | | 2,647,819 | |
| 8/15/2034 | 26,095,000 | 2,647,819 | | 28,742,819 | 31,390,638 |
| 2/15/2035 | | 2,183,778 | | 2,183,778 | |
| 8/15/2035 | 15,185,000 | 2,183,778 | | 17,368,778 | 19,552,556 |
| 2/15/2036 | | 1,897,919 | | 1,897,919 | |
| 8/15/2036 | 15,760,000 | 1,897,919 | | 17,657,919 | 19,555,838 |
| 2/15/2037 | | 1,586,625 | | 1,586,625 | |
| 8/15/2037 | 16,375,000 | 1,586,625 | | 17,961,625 | 19,548,250 |
| 2/15/2038 | | 1,292,700 | | 1,292,700 | |
| 8/15/2038 | 16,965,000 | 1,292,700 | | 18,257,700 | 19,550,400 |
| 2/15/2039 | | 987,525 | | 987,525 | |
| 8/15/2039 | 17,575,000 | 987,525 | | 18,562,525 | 19,550,050 |
| 2/15/2040 | | 670,650 | | 670,650 | |
| 8/15/2040 | 18,205,000 | 670,650 | | 18,875,650 | 19,546,300 |
| 2/15/2041 | | 341,675 | | 341,675 | |
| 8/15/2041 | 18,865,000 | 341,675 | | 19,206,675 | 19,548,350 |
| | <u>368,848,149</u> | <u>147,289,681</u> | <u>107,676,852</u> | <u>623,814,681</u> | <u>623,814,681</u> |

Outstanding Bond Issues

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, including renovations to all 25 educational facilities and 9 support facilities

Phase I Construction has been completed on five locations (three school replacements, one grade level addition), which are open for classes for the 2018-19 school year. The schedules were slightly delayed due to Hurricane Harvey at the end of August 2017, but revised schedules are being kept the projects on time.

Phase II construction was completed Summer of 2019, consisted of one school replacement, which was open for classes for the 2019-20 school year.

Phase III construction began in the Spring of 2019. One school replacement has been completed, which was open for classes for the 2020-21 school year.

An architect change for the next phase of new campus construction was approved by the Board in August 2020, with the schematic design approved by the Board in November 2020. The project is currently in the design development stage with plans to bid the project in June 2021. Construction is anticipated to begin in August 2021.

Renovation projects are in various stages. Roofing, cooling tower and chiller projects have been completed. Renovation project to construct a 12 classroom addition for Galena Park High School is underway, with anticipated completion of August 2021. A masterplan for that site is currently being designed and evaluated, which will include an updated cafeteria and career and technical education facilities.

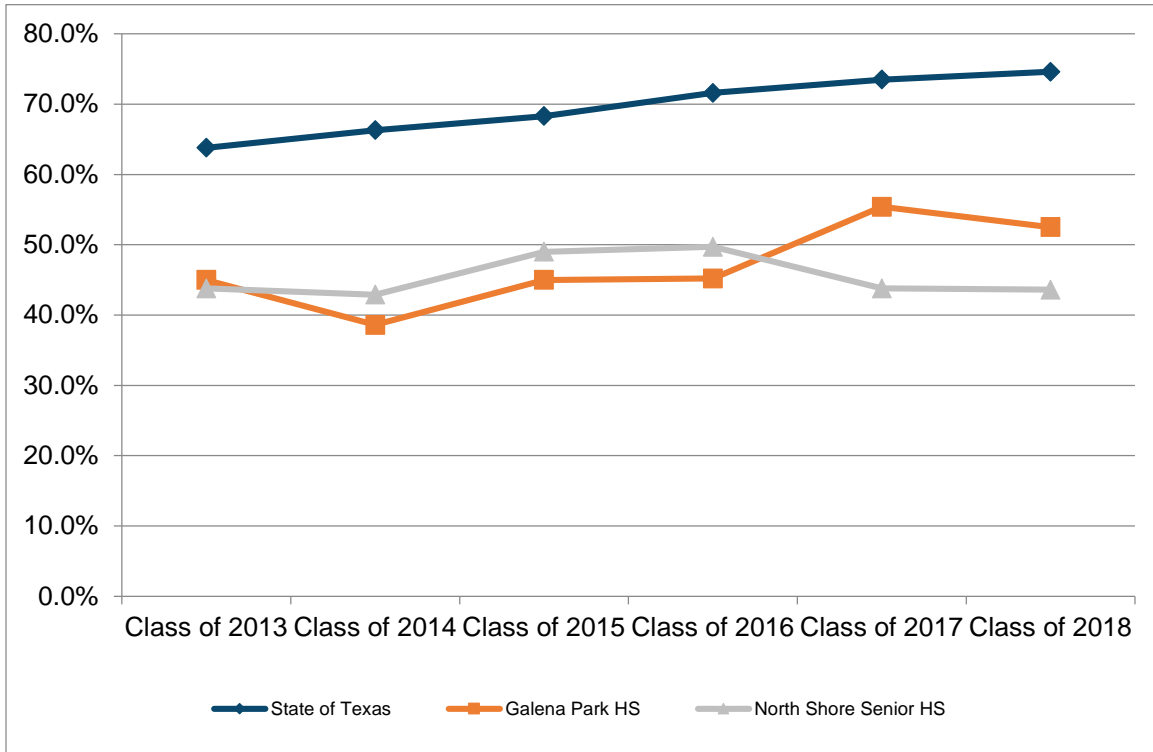
In October 2019, the District sold the \$105 million in remaining bond sales to fund these projects. The Debt Service budget was modified during the year to account for these sales; the District currently holds a Moody's credit rating of Aa1, and a Fitch credit rating of AA+.

Performance Measures

SAT and ACT Participation

Percent of Students Tested for ACT/SAT

| | State | Galena Park ISD | Galena Park High School | North Shore Senior High School |
|---------------|-------|--------------------|----------------------------|--------------------------------------|
| Class of 2018 | 74.6% | 46.4% | 52.5% | 43.6% |
| Class of 2017 | 73.5% | 47.4% | 55.4% | 43.8% |
| Class of 2016 | 71.6% | 48.3% | 45.2% | 49.7% |
| Class of 2015 | 68.3% | 48.2% | 46.3% | 49.0% |
| Class of 2014 | 66.3% | 41.7% | 38.6% | 42.9% |
| Class of 2013 | 63.8% | 44.1% | 45.0% | 43.8% |

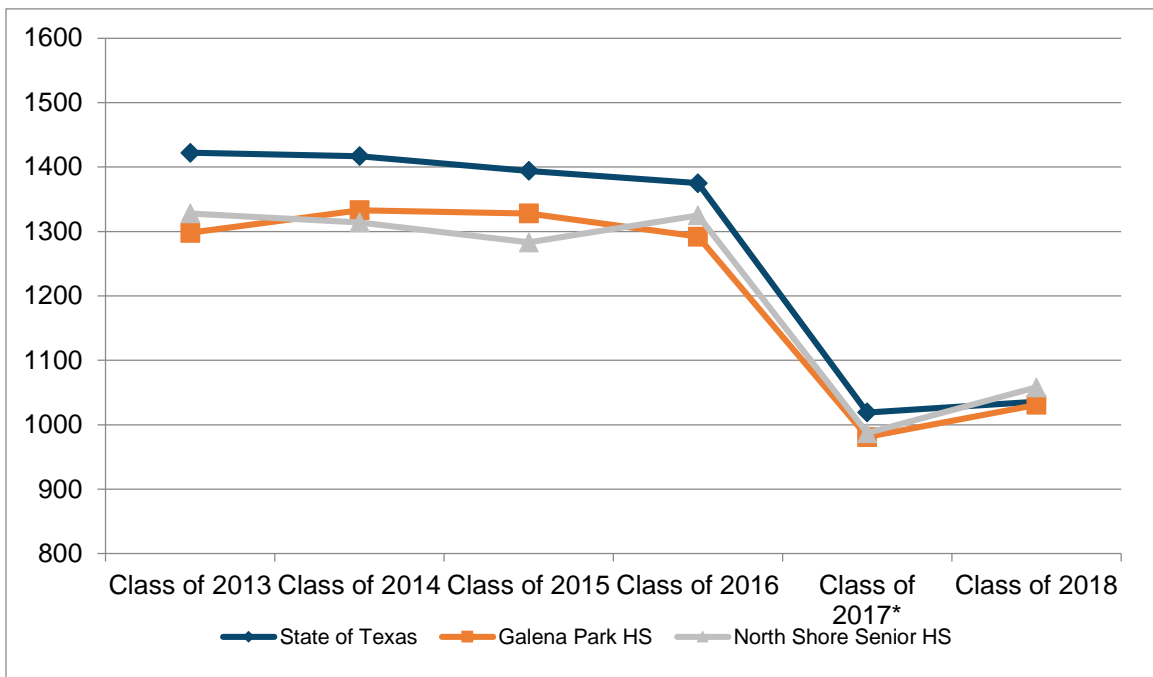


SAT Performance

The SAT Reasoning Test is the nation’s most widely used admissions test among colleges and universities. It tests students’ knowledge of subjects that are necessary for college success: reading, writing, and mathematics. The SAT assesses the critical thinking skills students need for academic success in college – skills that students learned in high school. The SAT is typically taken by high school juniors and seniors. It tells students how well they use the skills and knowledge they have attained in and outside of the classroom – including how they think, solve problems, and communicate. The SAT is an important resource for colleges as it is one of the best predictors of how well students will do.

Average SAT Score

| | State | Galena Park ISD | Galena Park High School | North Shore Senior High School |
|----------------|-------|--------------------|----------------------------|--------------------------------------|
| Class of 2018 | 1036 | 1049 | 1031 | 1058 |
| Class of 2017* | 1019 | 985 | 981 | 987 |
| Class of 2016 | 1375 | 1318 | 1292 | 1325 |
| Class of 2015 | 1394 | 1295 | 1328 | 1283 |
| Class of 2014 | 1417 | 1320 | 1333 | 1314 |
| Class of 2013 | 1422 | 1317 | 1298 | 1328 |



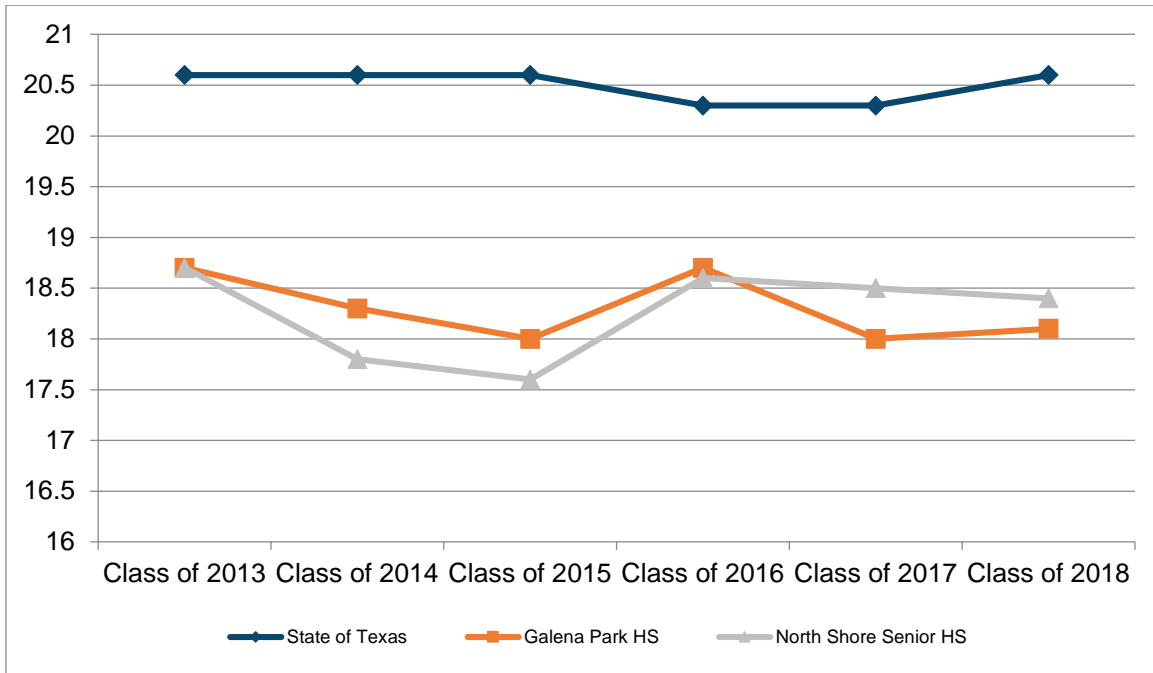
*Beginning with the Class of 2017, a change in the max score from 2400 to 1600 occurred due to removal of the writing portion from the final score.

ACT Performance

The ACT® test assesses high school students' general educational development and their ability to complete college level work. The multiple choice test covers four skill areas: English, mathematics, reading, and science. The Writing Test, which is optional, measures skill in planning and writing a short essay. The ACT is typically administered to high school juniors and seniors and is a curriculum based test. Each section of the ACT is scored on a scale of 1-36 with the composite score being the average of the four subject scores. The scores below reflect the students' composite score.

Average ACT Score

| | State | Galena Park ISD | Galena Park High School | North Shore Senior High School |
|---------------|-------|--------------------|----------------------------|--------------------------------------|
| Class of 2018 | 20.6 | 18.3 | 18.1 | 18.4 |
| Class of 2017 | 20.3 | 18.3 | 18.0 | 18.5 |
| Class of 2016 | 20.3 | 18.6 | 18.7 | 18.6 |
| Class of 2015 | 20.6 | 17.8 | 18.0 | 17.6 |
| Class of 2014 | 20.6 | 17.9 | 18.3 | 17.8 |
| Class of 2013 | 20.6 | 18.7 | 18.7 | 18.7 |



Advanced Placement Program

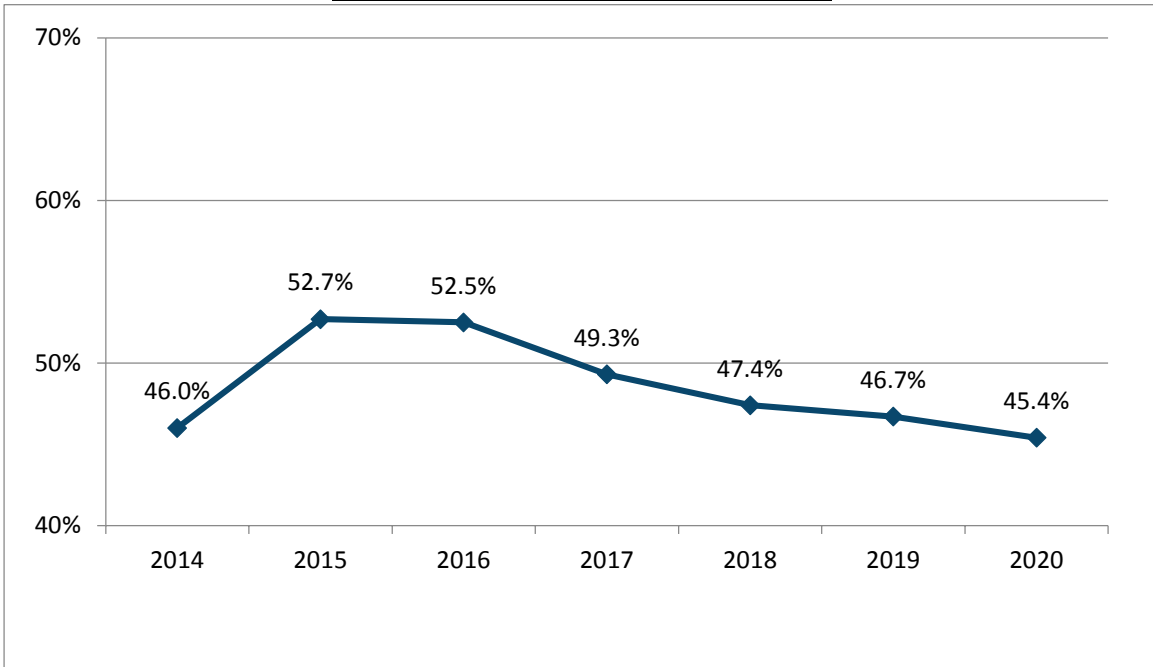
The Advanced Placement Program in Galena Park ISD is designed to give high school students the opportunity to earn credit for college-level courses. The AP courses are developed at the local level, based on course descriptions provided by the College Board, and are taught by high school teachers. Annual AP exams are developed by committees that include college and university faculty as well as high school teachers of AP courses. The combined effort ensures that AP scores are a valid measure of college-level performance. AP exam scores range from 1 to 5 and reflect qualification for college credit. Generally, colleges and universities award credit or advanced placement for scores of 3 or above.



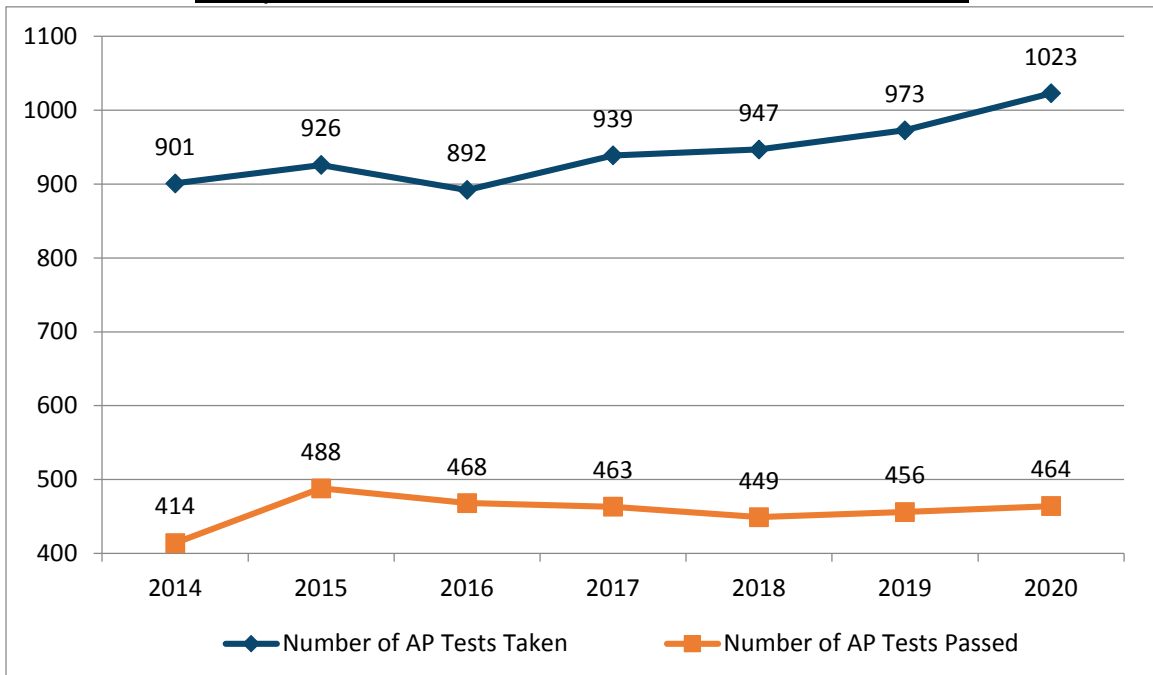
Advanced Placement Three Year Exam & Scores Summary

| Subject | 2018 | | 2019 | | 2019 | |
|---|--------------------------------------|--------------------|--------------------------------------|--------------------|--------------------------------------|--------------------|
| | # of 3-5/ Total AP Tests Taken | Percent Passing | # of 3-5/ Total AP Tests Taken | Percent Passing | # of 3-5/ Total AP Tests Taken | Percent Passing |
| 2-D Art | 16/17 | 94% | 25/27 | 93% | 29/30 | 97% |
| Art History | 6/13 | 46% | 4/15 | 27% | 5/10 | 50% |
| Biology | 8/53 | 15% | 21/82 | 26% | 11/21 | 52% |
| Calculus AB | 13/36 | 34% | 6/33 | 18% | 5/21 | 24% |
| Calculus BC | | | | | 1/1 | 100% |
| Chemistry | 11/21 | 52% | 16/48 | 33% | 12/44 | 27% |
| Computer Sci. A | 1/4 | 25% | 2/2 | 100% | 5/11 | 45% |
| Comp. Sci Prin. | | | 2/3 | 67% | | |
| Drawing | | | | | 8/8 | 100% |
| English Language | 29/73 | 39% | 2/3 | 67% | 23/69 | 33% |
| English Literature | 32/64 | 50% | 21/57 | 37% | 8/31 | 26% |
| Env. Science | | | 8/33 | 24% | 14/36 | 39% |
| French Lang. | | | 0/3 | 24% | | |
| Human Geo. | 17/63 | 27% | 17/87 | 20% | 35/145 | 24% |
| Macroeconomics | 17/44 | 39% | 11/33 | 33% | 4/14 | 29% |
| Music Theory | 5/6 | 83% | 7/11 | 64% | 7/7 | 100% |
| Physics I | 4/51 | 8% | 7/10 | 70% | 8/29 | 28% |
| Physics II | 5/6 | 83% | 3/3 | 100% | 6/6 | 100% |
| Physics C: Electricity and Magnetism | | | | | 1/2 | 50% |
| Physics C: Mechanics | 4/5 | 80% | 2/3 | 67% | 3/3 | 100% |
| Psychology | 16/50 | 32% | 23/60 | 38% | 25/74 | 34% |
| Spanish Language | 154/194 | 81% | 155/164 | 95% | 133/139 | 96% |
| Spanish Literature | 25/28 | 89% | 21/27 | 78% | 32/48 | 67% |
| Statistics | 7/19 | 37% | 10/34 | 29% | 6/18 | 33% |
| Studio Art | 16/17 | 94% | 25/27 | 93% | | |
| U.S. Government | 14/33 | 42% | 14/33 | 42% | 11/29 | 38% |
| U.S. History | 34/60 | 57% | 24/57 | 42% | 26/78 | 33% |
| World History | 31/107 | 29% | 35/93 | 38% | 46/149 | 31% |
| Total | 449/947 | 47.4% | 456/973 | 46.7% | 464/1023 | 45.4% |

Percent of Total AP Exams Passed



Comparison of AP Exams Taken to AP Exams Passed



Graduation and Drop-out Rates

4-Year Graduation Rate Without Exclusions

| | Class of 2019 | | | Class of 2018 | | | Class of 2017 | | | Class of 2016 | | |
|--------------|---------------|----------|-------|---------------|----------|-------|---------------|----------|-------|---------------|----------|-------|
| | District | Region 4 | State | District | Region 4 | State | District | Region 4 | State | District | Region 4 | State |
| Graduated | 88.7% | | | 90.1% | 88.9% | 90.0% | 88.8% | 88.7% | 89.7% | 90.4% | 88.3% | 89.1% |
| Received GED | 0.1% | | | 0.3% | 0.5% | 0.4% | 0.1% | 0.5% | 0.4% | 0.3% | 0.4% | 0.5% |
| Continued HS | 2.8% | | | 2.1% | 4.0% | 3.8% | 2.9% | 4.2% | 4.0% | 3.4% | 4.5% | 4.2% |
| Dropped Out | 8.5% | | | 6.8% | 6.6% | 5.7% | 8.1% | 6.7% | 5.9% | 5.8% | 6.8% | 6.2% |

5-Year Graduation Rate Without Exclusions

| | Class of 2018 | | | Class of 2017 | | | Class of 2016 | | | Class of 2015 | | |
|--------------|---------------|----------|-------|---------------|----------|-------|---------------|----------|-------|---------------|----------|-------|
| | District | Region 4 | State | District | Region 4 | State | District | Region 4 | State | District | Region 4 | State |
| Graduated | 90.4% | | | 91.1% | 91.0% | 92.0% | 92.4% | 90.8% | 91.6% | 92.5% | 90.8% | 91.3% |
| Received GED | 0.3% | | | 0.2% | 0.7% | 0.6% | 0.5% | 0.7% | 0.7% | 0.2% | 0.7% | 0.8% |
| Continued HS | 1.6% | | | 0.5% | 1.2% | 1.1% | 0.7% | 1.2% | 1.2% | 0.7% | 1.3% | 1.2% |
| Dropped Out | 7.8% | | | 8.1% | 7.1% | 6.3% | 6.5% | 7.4% | 6.6% | 6.7% | 7.1% | 6.7% |

Annual Dropout rate

| | 2018-19 | | | 2017-18 | | | 2016-17 | | | 2015-16 | | |
|-------------|----------|----------|-------|----------|----------|-------|----------|----------|-------|----------|----------|-------|
| | District | Region 4 | State | District | Region 4 | State | District | Region 4 | State | District | Region 4 | State |
| Grades 7-8 | 0.3% | | | 0.4% | 0.6% | 0.4% | 0.5% | 0.5% | 0.3% | 0.4% | 0.4% | 0.4% |
| Grades 9-12 | 2.2% | | | 2.3% | 2.1% | 1.9% | 3.3% | 2.3% | 1.9% | 2.1% | 2.2% | 2.0% |

The most recent Region 4 and State percentage rates for Class of 2019 4-year Graduation, Class of 2018 5-year Graduation, and 2018-19 Annual Dropout are anticipated to be released December 2020, after the time of this publication.

Percentage of free or reduced-price meals

| Fiscal Year | Students | | Percentage |
|-------------|--------------------------|---|------------|
| | Average Daily Attendance | Participating in Free/Reduced Lunch Program | |
| 2020 | 20,202.595 | 11,922 | 59.01% |
| 2019* | 20,771.523 | 11,754 | 56.59% |
| 2018 | 21,282.000 | 17,964 | 84.41% |
| 2017 | 21,195.331 | 18,263 | 86.17% |
| 2016 | 21,015.705 | 17,919 | 85.26% |

*For the 2018-19 school year, Galena Park ISD implemented a new option available to schools participating in the National School Lunch and School Breakfast Programs called the Community Eligibility Provision (CEP). Participating schools in the CEP are able to provide healthy breakfasts and lunches each day at no charge for ALL students enrolled in the CEP schools. Parents with students at eligible schools did not have to complete an application for school meals, which resulted in the decline in student participation in the USDA free/reduced program.

Texas Education Agency Accountability Summary

2020

Given the impact of COVID-19, all districts and schools received a label of Not Rated: Declared State of Disaster for their 2020 accountability ratings.

The Texas Education Agency received approval from U.S. Department of Education (USDE) on March 30, 2020, to waive statewide assessment and accountability requirements under the Elementary and Secondary Education Act (ESEA), as amended by the Every Student Succeeds Act (ESSA), for the 2019–2020 school year.

Additionally, for 2020 state academic accountability, all districts and campuses will receive a label of *Not Rated: Declared State of Disaster*.

2019

| | Component Score | Sealed Score | Rating |
|--|-----------------|--------------|----------|
| Overall | | 88 | B |
| Student Achievement | | 83 | B |
| STAAR Performance | 47 | 79 | |
| College, Career and Military Readiness | 60 | 90 | |
| Graduation Rate | 93 | 75 | |
| School Progress | | 90 | A |
| Academic Growth | 69 | 79 | C |
| Relative Performance (Eco Dis: 85.5%) | 54 | 90 | A |
| Closing the Gaps | 72 | 83 | B |
| Postsecondary Readiness | | Not Earned | |

2018

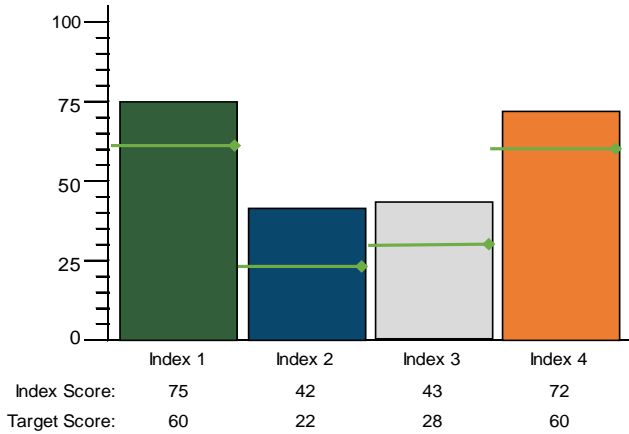
| | Component Score | Sealed Score | Rating |
|--|-----------------|--------------|------------------------------------|
| Overall | | 78 | Not Rated: Harvey Provision |
| Student Achievement | | 73 | C |
| STAAR Performance | 45 | 76 | |
| College, Career and Military Readiness | 41 | 71 | |
| Graduation Rate | 92.9 | 70 | |
| School Progress | | 79 | C |
| Academic Growth | 69 | 79 | C |
| Relative Performance (Eco Dis: 79.8%) | 43 | 79 | C |
| Closing the Gaps | 48 | 75 | C |
| Postsecondary Readiness | | Not Eligible | |

Note: Galena Park ISD was directly affected by Hurricane Harvey, and did not receive an overall rating for 2018.

2017

| Accountability Rating | |
|--|---|
| Met Standard | |
| Met Standards on -Student Achievement -Student Progress -Closing Performance Gaps -Postsecondary Readiness | Did Not Meet Standards on -NONE |
| In 2017, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4 | |

| Performance Index Report | Distinction Designation |
|--------------------------|-------------------------|
|--------------------------|-------------------------|



| Postsecondary Readiness |
|--|
| Percent of Eligible Measures in Top Quartile 11 out of 38 = 29% |
| NO DISTINCTION EARNED |

| Performance Index Summary | | | |
|---------------------------|--|--|--|
|---------------------------|--|--|--|

| Index | Points Earned | Maximum Points | Index Score |
|-------------------------------|---------------|----------------|-------------|
| 1 - Student Achievement | 27,964 | 37,347 | 75 |
| 2 - Student Progress | 754 | 1,800 | 42 |
| 3 - Closing Performance Gaps | 1,285 | 3,000 | 43 |
| 4 - Post Secondary Readiness | | | |
| STAAR Score | 12.7 | | |
| Graduation Rate Score | 22.3 | | |
| Graduation Plan Score | 20.6 | | |
| Postsecondary Component Score | 16.2 | | 72 |

| System Safeguards | |
|-------------------|--|
|-------------------|--|

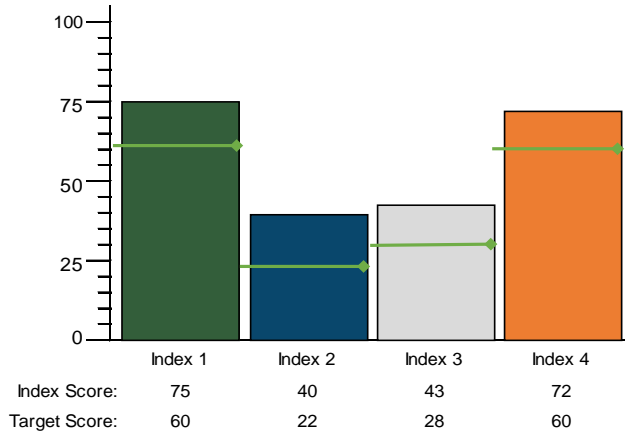
| Number and Percentage of Indicators Met | |
|---|---------------------------|
| Performance Rates | 39 out of 45 = 87% |
| Participation Rates | 20 out of 20 = 100% |
| Graduation Rates | 6 out of 7 = 86% |
| Met Federal Limits on Alternative Assessments | 1 out of 1 = 100% |
| Total | 66 out of 73 = 90% |

2016

| Accountability Rating | |
|--|---|
| Met Standard | |
| Met Standards on -Student Achievement -Student Progress -Closing Performance Gaps -Postsecondary Readiness | Did Not Meet Standards on -NONE |
| In 2016, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4 | |

Performance Index Report

Distinction Designation



| Postsecondary Readiness |
|--|
| Percent of Eligible Measures in Top Quartile 11 out of 38 = 29% |
| NO DISTINCTION EARNED |

Performance Index Summary

System Safeguards

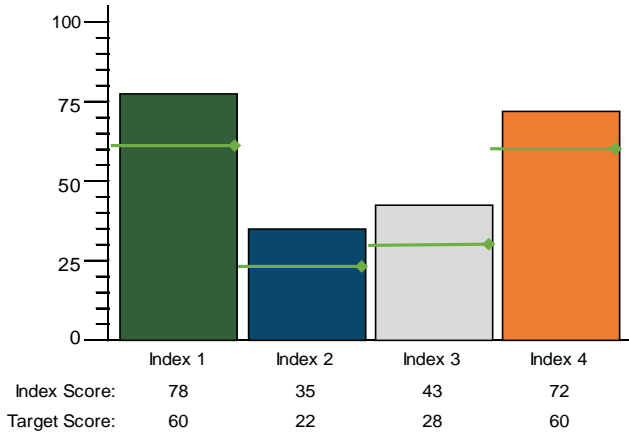
| Index | Points Earned | Maximum Points | Index Score |
|-------------------------------|---------------|----------------|-------------|
| 1 - Student Achievement | 27,409 | 36,683 | 75 |
| 2 - Student Progress | 726 | 1,800 | 40 |
| 3 - Closing Performance Gaps | 7,276 | 3,000 | 43 |
| 4 - Post Secondary Readiness | | | |
| STAAR Score | 11.7 | | |
| Graduation Rate Score | 22.2 | | |
| Graduation Plan Score | 20 | | |
| Postsecondary Component Score | 17.9 | | 72 |

| Number and Percentage of Indicators Met | |
|---|---------------------------|
| Performance Rates | 39 out of 45 = 87% |
| Participation Rates | 20 out of 20 = 100% |
| Graduation Rates | 2 out of 7 = 29% |
| Met Federal Limits on Alternative Assessments | 1 out of 1 = 100% |
| Total | 62 out of 73 = 85% |

2015

| Accountability Rating | |
|--|---|
| Met Standard | |
| Met Standards on -Student Achievement -Student Progress -Closing Performance Gaps -Postsecondary Readiness | Did Not Meet Standards on -NONE |
| In 2015, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4 | |

| Performance Index Report | Distinction Designation |
|--------------------------|-------------------------|
|--------------------------|-------------------------|



| Postsecondary Readiness |
|---|
| Percent of Eligible Measures in Top Quartile 9 out of 38 = 24% |
| NO DISTINCTION EARNED |

| Performance Index Summary |
|---------------------------|
|---------------------------|

| Index | Points Earned | Maximum Points | Index Score |
|-------------------------------|---------------|----------------|-------------|
| 1 - Student Achievement | 19,927 | 25,677 | 78 |
| 2 - Student Progress | 624 | 1,800 | 35 |
| 3 - Closing Performance Gaps | 939 | 2,200 | 43 |
| 4 - Post Secondary Readiness | | | |
| STAAR Score | 10.7 | | |
| Graduation Rate Score | 22.7 | | |
| Graduation Plan Score | 18.6 | | |
| Postsecondary Component Score | 19.9 | | 72 |

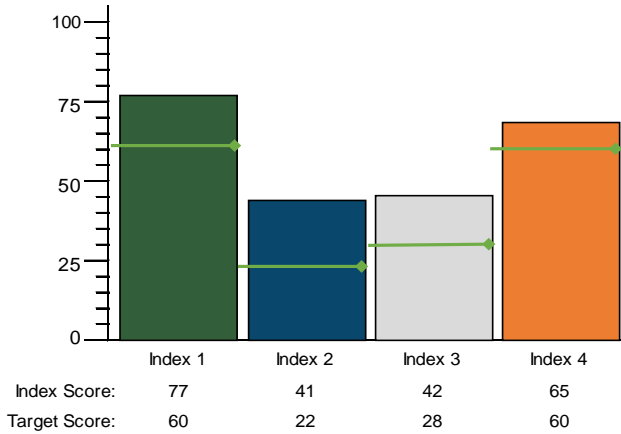
| System Safeguards |
|-------------------|
|-------------------|

| Number and Percentage of Indicators Met | |
|---|---------------------------|
| Performance Rates | 35 out of 40 = 88% |
| Participation Rates | 17 out of 17 = 100% |
| Graduation Rates | 6 out of 8 = 75% |
| Total | 58 out of 65 = 89% |

2014

| Accountability Rating | |
|--|---|
| Met Standard | |
| Met Standards on -Student Achievement -Student Progress -Closing Performance Gaps -Postsecondary Readiness | Did Not Meet Standards on -NONE |
| In 2016, to receive a Met Standard or Met Alternative Standard rating, districts and campuses must meet targets on three indexes: Index 1 or Index 2 and Index 3 and Index 4 | |

| Performance Index Report | Distinction Designation |
|--------------------------|-------------------------|
|--------------------------|-------------------------|



| Postsecondary Readiness |
|--|
| Percent of Eligible Measures in Top Quartile 13 out of 36 = 36% |
| NO DISTINCTION EARNED |

| Performance Index Summary | | | |
|---------------------------|--|--|--|
|---------------------------|--|--|--|

| Index | Points Earned | Maximum Points | Index Score |
|-------------------------------|---------------|----------------|-------------|
| 1 - Student Achievement | 27,423 | 35,626 | 77 |
| 2 - Student Progress | 1,309 | 3,200 | 41 |
| 3 - Closing Performance Gaps | 1,267 | 3,000 | 42 |
| 4 - Post Secondary Readiness | | | |
| STAAR Score | 10.8 | | |
| Graduation Rate Score | 22.3 | | |
| Graduation Plan Score | 20.3 | | |
| Postsecondary Component Score | 11.2 | | 65 |

| System Safeguards | |
|-------------------|--|
|-------------------|--|

| Number and Percentage of Indicators Met | |
|---|---------------------------|
| Performance Rates | 43 out of 44 = 98% |
| Participation Rates | 20 out of 20 = 100% |
| Graduation Rates | 7 out of 7 = 100% |
| Met Federal Limits on Alternative Assessments | 0 out of 1 = 0% |
| Total | 70 out of 72 = 97% |

For additional information on the rating system and reports, please visit the TEA's Texas Accountability Rating System webpage.
<https://rptsrv1.tea.texas.gov/perfreport/account/>

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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.

Accountability Rating – The labels assigned to districts and campuses by the state academic accountability system that indicate acceptable and unacceptable performance or that a district or campus is not rated. Possible ratings are as follows:

- Met Standard
- Met Alternative Standard
- Improvement Required
- Not Rated
- Not Rated: Data Integrity Issues

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 – Acronym for **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.

ASATR – Acronym for **Additional State Aid for Tax Reduction**. When the Legislature reduced property tax rates by one-third in 2006, they guaranteed that school districts would have the ability to maintain at least the same level of per-student funding for weighted average daily attendance (WADA) as they received for the 2005-06 school year by creating Additional State Aid for Tax Reduction. In 2011, the State significantly reduced funding for public education and some of those cuts came through a percentage reduction to ASATR. At that time the Legislature also enacted a repeal of ASATR effective September 1, 2017.

ASF – Acronym for **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.

CEP - The **C**ommunity **E**ligibility **P**rovision is a non-pricing meal service option for schools and school districts in low-income areas. CEP allows the nation's highest poverty schools and districts to serve breakfast and lunch at no cost to all enrolled students without collecting household applications.

CFO – Acronym for **C**hief **F**inancial **O**fficer, the senior manager responsible for overseeing the financial activities.

COVID-19 – COVID-19 is the name given by the World Health Organization (WHO) on February 11, 2020 for the disease caused by the novel coronavirus SARS-CoV-2; 'CO' stands for 'corona,' 'VI' stands for 'Virus,' and 'D' for disease.

CTR – Acronym for **C**ompressed **T**ax **R**ate. 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.

Distinction Designations – Recognitions for outstanding achievement in the following academic areas:

- Academic Achievement in English Language Arts/Reading (campus only)
- Academic Achievement in Mathematics (campus only)
- Academic Achievement in Science (campus only)
- Academic Achievement in Social Studies (campus only)
- Top 25 Percent: Student Progress (campus only)
- Top 25 Percent: Closing Performance Gaps (campus only)
- Postsecondary Readiness (district and campus)

DIP – Acronym for **D**istrict **I**mprovement **P**lan, used to state overarching goals, performance objectives, and measures decided upon by the District.

Dropout – A student who was enrolled in public school in grade 7–12 during the previous year, did not return to public school in current year, was not expelled, and did not graduate, receive a high school equivalency certificate, continue school outside the public school system, begin college, or die.

Economically Disadvantaged – The count and percentage of students eligible for free or reduced-price lunch or eligible for other public assistance.

EDA – Acronym for **Existing Debt Allotment** program. The EDA program provides funding to school districts for debt service payments on eligible bonded debt.

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 – Acronym for **English as a Second Language**. 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.

ESSA – Acronym for **Every Student Succeeds Act**; the bipartisan measure reauthorizes the 50-year-old Elementary and Secondary Education Act (ESEA), the nation's national education law and longstanding commitment to equal opportunity for all students.

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.

FDIC – Acronym for **Federal Deposit Insurance Corporation**, an independent agency created by the U.S. Congress to maintain stability and public confidence in the nation's financial system.

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 1st to August 30th.

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 – Acronym for **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, 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.

Graduates – The count and percentage of students who graduate at some time during the school year. It includes summer graduates and is reported by districts in the fall of the following school year. It includes all students in grade 12 who graduated, as well as graduates from other grades. Students served by special education who graduate are included in the totals. Counts of students graduating under the following graduation types in 2015–16 are also shown:

- Minimum High School Program (MHSP)
- Recommended High School Program (RHSP)

- Distinguished Achievement Program (DAP)
- Foundation High School Plan (FHSP)

HB1 – Acronym for **House Bill One**, reference to the appropriations bill that changed public school funding, 80th Legislature State of Texas.

HB3 – Acronym for **House Bill Three**, reference to the appropriations bill that changed public school funding, 86th 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.

IFA – Acronym for **Instructional Facilities Allotment** program, which 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.

I&S – Acronym for **Interest & Sinking**, 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.

LFA – Acronym for **Local Fund Assignment**, the amount of tax collections generated by assessing the Compressed Tax Rate or a tax rate of \$1.00, whichever is lower, for each \$100 of property valuation, using the preceding school year's property values. This is a portion of the Foundation School Program Tier I funding that a school district is required to fund.

LPE – Acronym for **Legislative Planning Estimates**

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 – Acronym for **Maintenance & Operation**, 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.

NIFA – Acronym for **New Instructional Facility Allotment** program, which provides operational expenses associated with the opening of a new instructional facility. The NIFA is available to all public school districts and open-enrollment charter schools that construct new instructional facilities that meet the requirements of the statute and rules.

NSBP – Acronym for **National School Breakfast Program**, a federally assisted meal program operating in public and nonprofit private schools and residential child care institutions.

NSLP – Acronym for **National School Lunch Program**, a federally assisted meal program operating in public and nonprofit private schools and residential child care institutions.

OASDI – Acronym for **Old-Age, Survivors, and Disability Insurance**, the official name for Social Security in the United States.

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 **Public Education Information System**. 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.

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".

SAT/ACT Results – Participation and performance of graduating seniors from all Texas public schools on the College Board's SAT and ACT, Inc.'s ACT assessment. Only one record is sent per student. If a student takes an ACT and/or SAT test more than once, the agency receives the record for the most recent examination taken.

SAAH – Acronym for **S**tudent **A**ttendance **A**ccounting **H**andbook, which contains the official attendance accounting requirements that all public school districts and open-enrollment charter schools in Texas must meet.

SBOE – Acronym for **S**tate **B**oard **O**f **E**ducation

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.

SNAP – The **S**upplemental **N**utrition **A**ssistance **P**rogram provides nutrition benefits to supplement the food budget of needy families so they can purchase healthy food and move towards self-sufficiency.

Snapshot Date – The first submission of data to TSDS PEIMS of a new school year. Enrollment information submitted for this date is used for accountability. It is the last Friday of October. October 25, 2019, is the TSDS PEIMS snapshot date for the 2019-20 school year

Special Education – The population of students served by special education programs. Assessment decisions for students in special education programs are made by their admission, review, and dismissal (ARD) committees.

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.

STAAR (State of Texas Assessments of Academic Readiness) – A comprehensive testing program for public school students in grades 3–8 or high school courses with end-of-course (EOC) assessments. The STAAR program is designed to measure to what extent a student has learned, understood, and is able to apply the concepts and skills expected at each grade level or after completing each course for which an EOC assessment exists. Each STAAR test is linked directly to the Texas Essential Knowledge and Skills (TEKS). The TEKS are the state-mandated content standards that describe what a student should know and be able to do upon completion of a course. For more information on the TEKS, see the Texas Essential Knowledge and Skills website at <http://tea.texas.gov/curriculum/teks/>.

The performance section of the TAPR shows STAAR performance in different ways:

- By Grade and Subject:

- Grade 3 – reading and mathematics
- Grade 4 – reading, mathematics, and writing
- Grade 5 – reading, mathematics (1st and 2nd administration cumulative), and science

- Grade 6 – reading and mathematics
- Grade 7 – reading, mathematics, and writing
- Grade 8 – reading, mathematics (1st and 2nd administration cumulative), science, and social studies
- By End-of-Course (EOC) Subject:
 - English I
 - English II
 - Algebra I
 - U.S. History
 - Biology
- All Grades:
 - STAAR Percentage at Approaches Grade Level Standard or Above (All Grades). The accountability indicator used to determine the scores for Indices 1 and 3. The first measure under this indicator, All Subjects, combines all subjects and all grades.
 - STAAR Percentage at Meets Grade Level Standard. The percentage of students who are determined to be sufficiently prepared for postsecondary success by achieving the Meets Grade Level performance standard on two or more assessments. The measure Two or More Subjects includes the performance of 1) students who took only one assessment and scored at the Meets Grade Level Standard or better and 2) students who scored at the Meets Grade Level Standard or better on two or more assessments. A student who took more than one assessment and scored at the Meets Grade Level Standard on only one of them is not included in the count of postsecondary-ready students. This measure is part of determining the score for Index 4.
 - STAAR Percentage at Masters Grade Level Standard. The percentage of tests that met the Masters Grade Level performance standard. This indicator was part of determining the score for Index 3.
 - STAAR Percentage Met or Exceeded Progress. The percentage of tests that met or exceeded the STAAR or ELL progress measure expectations. See Chapter 4 of the 2017 Accountability Manual for more information. This indicator was used in determining the score for Index 2.
 - STAAR Percentage Exceeded Progress. The percentage of tests that exceeded the progress measure expectations. This indicator was used in determining the score for Index 2.

Other Important Information

- The Texas English Language Learner Progress Measure. Often referred to simply as the ELL progress measure, it provides year-to-year performance expectations on the STAAR content-area assessments for ELL students. The progress measure is based on a student's level of English language proficiency and the amount of time he or she has attended school in the United States. Year-to-year performance expectations for the STAAR content-area tests identify ELL progress as meeting or exceeding an individual year-to-year expectation plan. An ELL's plan is determined by the number of years the student has been enrolled in U.S. schools and the student's Texas English Language Proficiency Assessment System (TELPAS) composite proficiency level.

- **Substitute Assessments.** Certain, specific assessments that students may take in place of an EOC assessment. Performance on the substitute assessments is used in calculating Index 1 and Index 4.
- **Special Education.** STAAR (with and without accommodations) and STAAR Alternate 2 results are included in all indices.
- **Spanish STAAR.** All STAAR tests in grades 3, 4, and 5 are available in both English and Spanish. The TAPR performance includes performance on the Spanish STAAR tests.
- **Rounding of STAAR results.** STAAR performance shown on the TAPR is rounded to whole numbers. For example, 49.877% is rounded to 50%; 49.4999% is rounded to 49%; and 59.5% is rounded to 60%.
- **Masking.** STAAR performance rates are masked when necessary to comply with FERPA.

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

Superintendent – The educational leader and administrative manager of the district or charter operator. It includes other titles that may apply to charter operators, such as chief executive officer, president, and chief administrative officer.

TANF - The **T**emporary **A**ssistance for **N**eedy **F**amilies program is designed to help needy families achieve self-sufficiency. States receive block grants to design and operate programs that accomplish one of the purposes of the TANF program.

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 – Acronym for **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.

TRS – Acronym for **T**eacher **R**etirement **S**ystem of Texas, a public pension plan of the State of Texas. Established in 1937, TRS provides retirement and related benefits for those employed by the public schools, colleges, and universities supported by the State of Texas.

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 – Acronym for **Texas Education Agency**, the state agency that oversees primary and secondary public education

TPIA – Acronym for **Texas Public Information Act**, a series of laws incorporated into the Texas Governmental Code that serve to ensure the public has access to information held by the state government. The Act is similar to the United States Freedom of Information Act, which guarantees the accessibility of information held by Federal government agencies to the public.

TY – Acronym for **Tax Year**

USDA – Acronym for The **United States Department of Agriculture**, also known as the Agriculture Department, the U.S. federal executive department responsible for developing and executing federal laws related to farming, forestry, rural economic development, and food.

USDE – Acronym for **United States Department of Education**, whose primary functions are to "establish policy for, administer and coordinate most federal assistance to education, collect data on US schools, and to enforce federal educational laws regarding privacy and civil rights."

WADA – Acronym for **Weighted Average Daily Attendance**. 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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COUGAR CORNER

