



Galena Park Independent School District

2022-2023 BUDGET

14705 Woodforest Blvd.
Houston, TX 77015
Harris County

www.galenaparkisd.com

Table of Contents

Executive Summary	1
Principal Officials.....	2
Mission Statement.....	3
Motto	3
District Improvement Plan.....	3
Association of School Business Officials International Meritorious Budget Award	4
Budget Information.....	5
Significant Budget Changes for 2022-23.....	7
Significant Budget Action Items for 2021-22 and 2022-23 Biennium	8
Budget Overview and Highlights.....	11
General Fund.....	12
Revenues.....	12
Property Values.....	13
Tax Rate.....	13
Impact on Taxpayers	14
Foundation School Program.....	15
Expenditures	16
Total Staff (FTE) Counts by Year.....	16
Six Year Expenditure Comparison	17
Debt Service	19
Revenues.....	19
Expenditures	20
Food Service	21
Revenues.....	21
Expenditures	22
Capital Projects	23
Revenues.....	23
Expenditures	23
2016 Bond Program Financial report, August 31 2022.....	24
Trends and Forecasts	25

Public Education Information Management System	25
Budget Forecast	27
Changes in Debt	28
Student Enrollment.....	29
Economic Disadvantaged	31
Organizational Section	33
Board of Trustees.....	34
Organizational Chart 2022-23	35
General Information	36
Campus Leadership.....	39
District Improvement Plan.....	45
Relevant Financial Policies	47
Budget.....	47
Fund Balance.....	47
Financial Planning	47
Cash Deposits.....	48
Investment	48
Classification of Revenues and Expenditures	49
Fund Accounting	50
General Fund.....	50
Special Revenue Funds.....	51
Food Service Fund	51
Debt Service Fund	51
Capital Projects Fund	51
Function	51
Budget Development Process.....	55
Budget Planning Timeline	57
Capital Projects	58
Budget Administration and Management Process.....	58
Procurement	59
Monitoring and Amending the Budget	59
Reporting.....	59
Key Revenues and Expenditures.....	60

General Fund.....	60
Debt Service	60
Food Service.....	61
Financial Section	63
Overview and Highlights	64
Revenues.....	64
General Fund.....	64
Debt Service	64
Food Service.....	64
2022-23 Adopted Budget Short Summary.....	65
Combined Actual Revenues and Expenses	66
Combined Projected Revenues and Expenses	67
Revenues, Expenditures, Other Resources and Fund Balances.....	68
General Fund.....	68
Debt Service	73
Food Service.....	74
Forecasted Revenues and Expenditures.....	77
School Finance	79
Funding Factors.....	79
Enrollment.....	79
Foundation School Program	80
Local Fund Assessment	82
2022 Tax Rate Calculation.....	82
No-New-Revenue Tax Rate	82
Voter-Approval Tax Rate.....	84
Galena Park ISD Tax Revenue Analysis	86
Tax Rate Comparison to Local Districts.....	86
Property Values.....	88
Summary of Property Tax Exemptions.....	88
General Fund.....	90
Local Revenue	90
Property Taxes	90
Investment Interest.....	90

State Revenue	91
The Foundation School Program.....	91
Per Capita Apportionment	91
School District Retiree Health Plan	92
Plan Description	92
Funding Policy	92
Federal Revenue	93
School Health and Related Services.....	93
Expenditures	94
Campus and Department Budgets.....	96
Campus.....	96
Department.....	98
Significant Budget Changes for 2022-23.....	101
Life Cycle Projects	101
Future Life Cycle Projects.....	102
Debt Service	103
Local Revenue	103
State Revenue	103
Instructional Facilities Allotment Program	103
Expenditures	104
Legal Debt Margin Calculation.....	105
Outstanding Debt Repayment Schedule.....	106
Computation of Estimated Direct and Overlapping Debt.....	108
Capital Projects	109
Bond 2016 Overview.....	109
2016 Bond Program Financial Report.....	110
Completed New Construction Projects.....	111
Galena Park Elementary.....	111
North Shore Elementary	111
Woodland Acres Elementary	112
North Shore Senior High 10th Grade Center	112
Cloverleaf Elementary.....	113
Jacinto City Elementary.....	113

New Construction Projects Pending	114
Pyburn Elementary	114
Completed Facility Renovation Projects	114
Galena Park High School Central Plant Upgrade.....	114
Cobb Sixth Grade Campus.....	114
Summer 2021 Renovations.....	114
Ongoing Facility Renovation Projects	115
Galena Park High School	115
Woodland Acres Middle School HVAC.....	115
Woodland Acres Middle School EIFS	115
Food Service.....	116
Local Revenue	116
Community Eligibility Provision	116
Federal Revenue	116
National School Breakfast and Lunch Program.....	116
USDA Commodities.....	117
Expenditures	118
Fund Balance.....	119
Informational Section	121
Financial Forecast	122
Property Taxes	122
Truth in Taxation.....	123
Property Tax Collections	124
Impact on Taxpayers.....	124
Comparison of Proposed Levy with Last Year's Levy on Average Residence.....	125
Enrollment and Attendance History	125
Personnel Resource Allocations.....	129
Bond Amortization Schedule	130
Outstanding Bond Issues.....	131
Performance Measures.....	132
SAT and ACT Participation.....	132
SAT Performance.....	133
ACT Performance	134

Advanced Placement Program..... 135
 Advanced Placement Three Year Exam & Scores Summary 136
 Percent of Total AP Exams Passed 137
 Comparison of AP Exams Taken to AP Exams Passed..... 137
Graduation and Drop-out Rates..... 138
Percentage of Free or Reduced-Price Meals..... 139
Texas Education Agency Accountability Summary 140
Glossary..... 147
Acknowledgements..... 159

Executive Summary

Galena Park Independent School District

Principal Officials

Board of Trustees



President - Adrian Stephens



Vice President - Noe Esparza



Secretary - Norma Hernandez



Wanda Heath Johnson



Ramon Garza



Herbert Sanchez



Linda Sherrard

Superintendent of Schools



Dr. John C. Moore

Administration

Dr. Sonya Niazy, CPA.....Chief Financial Officer/Deputy Superintendent for Operational Support
Dr. Wanna Giacona.....Chief Administrative Officer
Elizabeth Lalor.....Deputy Superintendent for Educational Support and School Administration
Terri W. Moore Associate Superintendent for Accountability and Academic Support
Dr. Mechelle Epps.....Assistant Superintendent for Student Support Services
Dr. David Harris.....Assistant Superintendent for School Administration
Holli Malloy.....Assistant Superintendent for Curriculum and Professional Development
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

GPISD... a great place to be!



District Improvement Plan

Goal 1: Mental, Physical, and Emotional Safety and Health for all Students and Staff

Goal 2: Student Achievement and Post-Secondary Readiness

Goal 3: Wide Range of Student Opportunities

Goal 4: High Quality Staff

Goal 5: Excellent Operational and Fiscal Support and Responsibility

Detailed objectives can be found on pages 45-46

Association of School Business Officials International Meritorious Budget Award



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 2021–2022.

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



A handwritten signature in black ink, reading 'W. Edward Chabal'. The signature is written in a cursive style and is positioned above a horizontal line.

W. Edward Chabal
President

A handwritten signature in black ink, reading '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 receive 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 about 85% 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 between 10 to 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 2022-23

- Adjust Teacher pay scale, increase starting pay to \$62,750; **\$3,712,750**
- 3.0% of midpoint general pay increase for all employees; **\$3,455,842**
- Continued funding for Technology and network upgrade projects; **\$750,000**
- Continued funding for annual lifecycle projects and upgrades to facilities; **\$500,000**
- Increase of annual insurance premium; **\$400,000**
- Continued funding for Transportation fleet replacement; **\$433,000**
- Increase for maintenance and custodial costs; **\$235,000**
- Increase for alternative education program services; **\$53,500**
- Increase for technology applications; **\$50,000**

The COVID-19 pandemic has resulted in a decline in the student population, both enrollment and attendance, which translates to a decrease in the anticipated revenues the district will receive during the 2022-23 fiscal year. In addition, federal stimulus funds have allowed the district to shift the cost of eligible expenses away from the General Fund. These factors have direct impact on the current year, as well as an influence in multi-year fiscal projections.



Significant Budget Action Items for 2021-22 and 2022-23 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 87th Legislative Session began January 12th and ended May 31st, 2021, subsequently followed by several Special Sessions. The following Senate Bills (SB) and House Bills (HB) were passed during the 2021 session, impacting school district budgets state wide.

HB 1525: School Finance and Public Education

The 86th Legislative session in 2019 passed HB 3, a historic school finance bill that added \$6.5 billion to public education funding, imposed a method for compressing property tax rates, increased the basic allotment from \$5,140 to \$6,160, increased minimum salary levels for teachers, tied increases in the Basic Allotment to instructional staff salary increases, provided funding for teacher incentive and mentor programs, funding for focused learning and other student outcomes, including Dyslexia, Special Education, Dual Language, blended learning and Career and Technology Education, a College Career and Military Readiness (CCMR) outcomes bonus, supported kindergarten through third grade reading and mathematics, while extending the elementary school year and mandating full-day pre-kindergarten services for eligible students. To accommodate the loss of revenue related to tax rate compression, a mechanism known as Formula Transition Grant was built in to guarantee districts maintain the same per-student revenues anticipated before the passage of the bill.

When the economy took a hit during the pandemic, lawmakers and public-school advocates were concerned that the downturn would mean the state wouldn't be able to uphold the promises it made in HB 3.

HB 1525 was known as the "HB 3 cleanup bill", and corrected some of the unintended consequences of implementing the significant changes in HB3. HB 1525:

- updated the career and technical education allotment.
- changed the Fast Growth Allotment to a tiered system.
- allowed the Texas Education Agency to enforce corrective action against districts that performed tax swaps barred under HB 3.
- created a \$400 million (statewide) cap on the Formula Transition Grant
- expanded CCMR outcomes bonus to include students who go on to receive an associate degree within a specified timeframe.
- allowed compensatory education funds to be spent on instructional coaches, attendance officers to support educationally disadvantaged students, and programs to teach managing emotions, establishing positive relationships, and teaching responsible decision-making.
- allowed the Instructional Materials Allotment to support distance learning.

HB 547: Homeschool Participation

This bill gave districts the opportunity to allow homeschooled children to participate in UIL activities. This is optional for districts. Some details of the bill include:

- Homeschool parents would report on student performance.
- Students would have to take a nationally recognized assessment to verify that they're on grade level.
- Homeschool students would have to live in the district's attendance zone.

HB 4545: Accelerated Instruction Requirements

New requirements were established for schools implementing accelerated instruction for students who do not pass the State of Texas Assessments of Academic Readiness (STAAR) in grades 3-8 or End of Course exams. Students with unsatisfactory performance results must either be assigned to a teacher who has received a Teacher Incentive Allotment designation or received 30 hours of supplemental instruction in the subject matter.

SB 199: Automated External Defibrillator Inspection

Required monthly inspection of Automated External Defibrillators to ensure they are placed in a designated location, are reasonably ready for use, and do not appear damaged. Liability exemptions are expanded unless conduct is willfully or wantonly negligent.

SB 2081: Pre-Kindergarten Ratio

Extended 22 to 1 ratio to Pre-Kindergarten

SB 15: Virtual School Funding

During the regular session, HB 1468 was submitted, which would have allowed schools to provide full-time virtual instruction and receive full funding for students in their attendance zones. The conference committee report had been agreed upon by the conferees from both chambers and passed out of the senate, but did not make it through the House before the regular session ended.

A virtual learning bill passed, however, during the second special session of the year. SB 15 allows schools to create their own virtual instruction programs for students who live within their district/charter attendance zones and draw state funding. To receive funding, programs must serve at least one grade level that is assessed under the STAAR program. Programs can provide synchronous instruction, asynchronous instruction, or a combination of both. Enrollment in the remote program is capped at 10% of a district's total enrollment.

Eligible students must be enrolled in the school district and have reasonable access to in person services. The district may establish additional criteria for enrollment. Students become ineligible to participate if they have more than 10 unexcused absences in the

program in a six-month period. Teachers must receive professional development and may not be required to teach both in person and remote simultaneously.

Districts may draw ADA funding for students served through remote programs, except they may not draw funding for students who spent more than 50% of their time in a remote setting in the prior year if they also either: failed to pass a state assessment (or local equivalent if the student did not take a state assessment), had more than 10% of days as unexcused absences, or failed to earn a C or higher in any foundation courses taken remotely in the prior year. All of these provisions expire September 1, 2023.

SB 1: Additional Tax Relief

This act proposed a constitutional amendment to increase the residential homestead exemption from \$25,000 to \$40,000; voters approved the measure on the May 2022 ballot, taking effect for the 2022 tax year.

Additional State Aid will be used to offset the impact of lost property tax collections experienced by school districts. Since this will impact a district's collections in the areas of both Maintenance & Operating (M&O) and Interest & Sinking (I&S), a provision addresses the topic of issued debt; the additional State Aid would only cover taxes needed to pay for debt issued prior to September 1, 2021. A higher I&S rate would be required for debt issued after that date.

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 since the 2019-2020 school year. Dynamic changes in enrollment, coupled with the exclusion practices carried out in accordance with Texas Department of State & Health Services, have had an impact on the District's Average Daily Attendance - the major driver of school district funding.

Sources: Texas Association of School Boards <https://www.tasb.org/members/advocate-district/2021-lege-recap/>

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 2022-23 are \$289,764,700, and total budgeted expenses are \$296,595,500.

	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23
	Actuals (Audited)	Actuals (Audited)	Actuals (Unaudited)	Adopted
<i>Revenues</i>				
General Fund	\$238,566,610	\$257,583,292	\$239,630,519	\$238,104,600
Debt Service	31,696,519	32,937,819	32,851,986	34,276,700
Food Service	13,869,161	13,584,677	19,279,577	17,383,400
	\$284,132,290	\$304,105,788	\$291,762,082	\$289,764,700
<i>Expenditures</i>				
General Fund	\$227,534,659	\$241,431,629	\$237,143,817	\$244,935,400
Debt Service	32,395,573	36,804,562	36,350,138	34,276,700
Food Service	14,443,976	13,418,097	16,416,875	17,383,400
	\$274,374,208	\$291,654,288	\$289,910,830	\$296,595,500
<i>Other Resources, non-operating</i>				
General Fund	\$73,160	\$138,465	\$30,123	-
Debt Service	144,711	-	-	-
Food Service	12,678	7,686	67,088	-
	\$230,549	\$146,151	\$97,211	-
<i>Fund Balance</i>				
General Fund	\$177,578,294	\$193,868,422	\$196,385,247	\$189,554,447
Debt Service	9,888,037	6,021,294	2,523,143	2,523,143
Food Service	3,606,242	3,780,508	6,710,298	6,710,298
	\$191,072,573	\$203,670,224	\$205,618,688	\$198,787,888

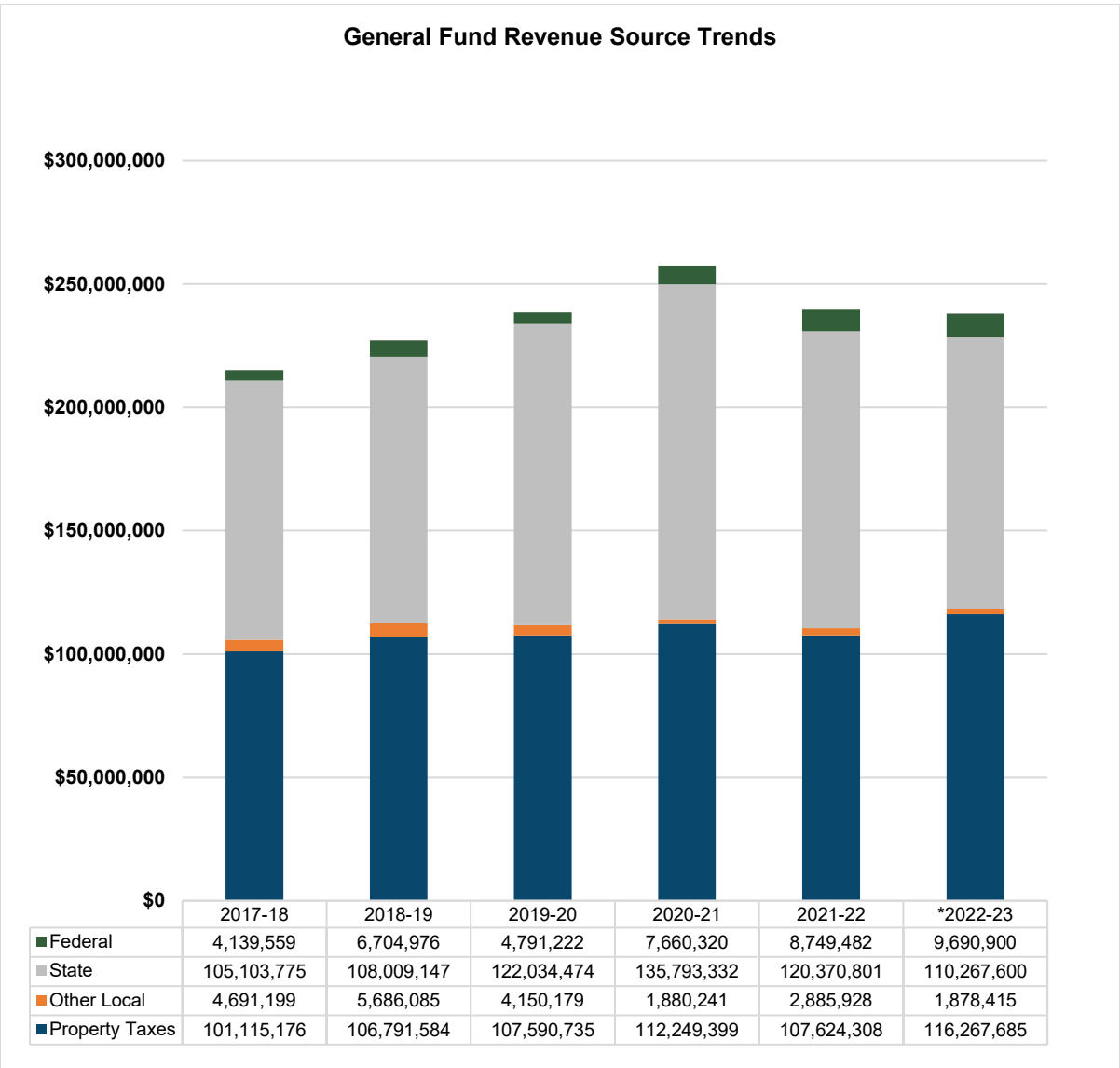


General Fund

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 2021-22 was \$239,630,519, with the 2022-23 budget anticipating \$238,104,600.

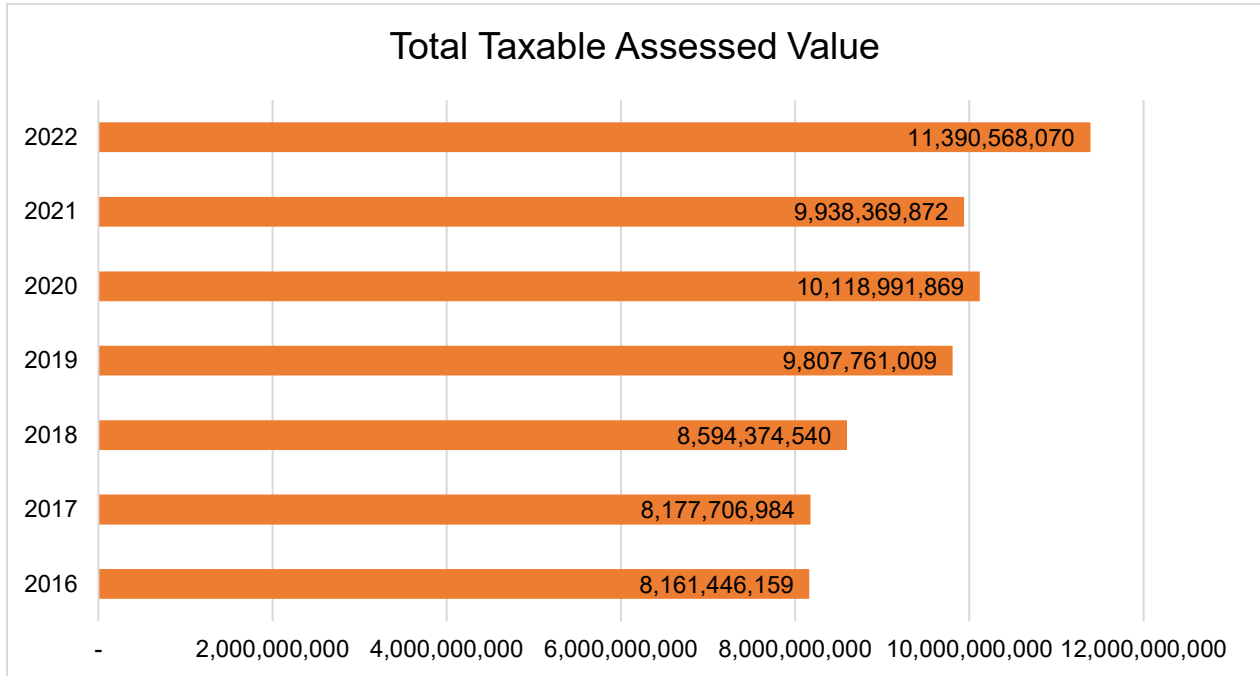


*Budget

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.

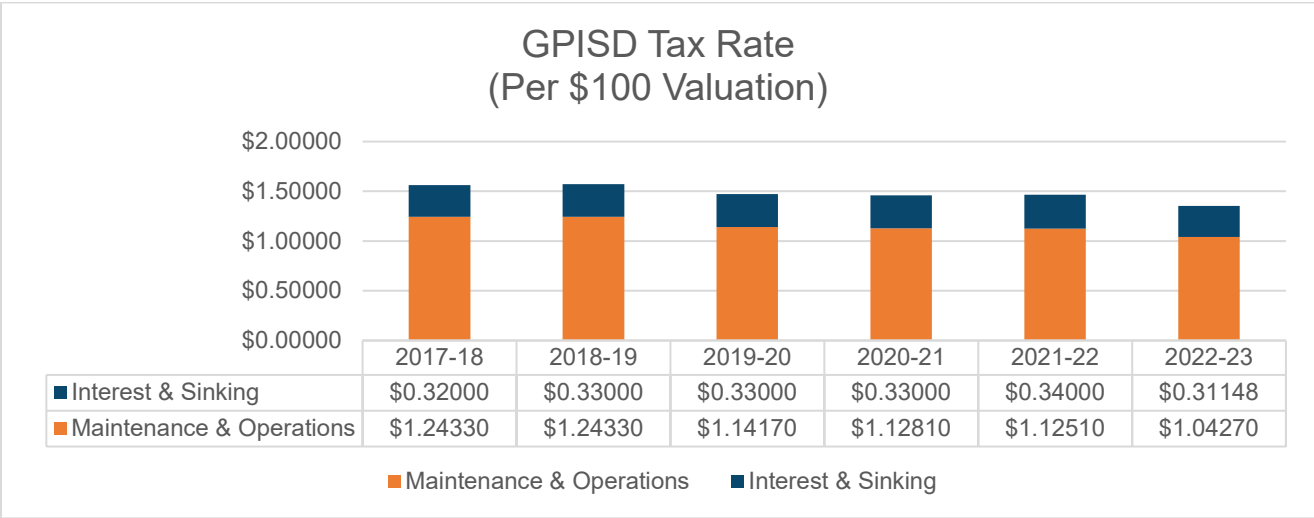


Taxable Value is defined by Section 1.04(10), Tax code. Values above are for the fiscal year, ending on August 31.

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 and Interest & Sinking for 2022-23 are \$1.04270 and \$0.31148, respectively, based on a tax year 2022 taxable value of \$11,390,568,070. 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 2018-19 and 2021-22 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
	2018-19	2019-20	2020-21	2021-22	2022-23
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	40,000
Taxable Value	\$55,000	\$55,000	\$55,000	\$55,000	\$40,000
Total property tax rate	<u>\$1.57330</u>	<u>\$1.47170</u>	<u>\$1.45810</u>	<u>\$1.46510</u>	<u>\$1.35418</u>
Property tax due	<u>\$865.32</u>	<u>\$809.44</u>	<u>\$801.96</u>	<u>\$805.81</u>	<u>\$541.67</u>

*Homestead Exemption increased in May 2022 by voter approval

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

In August 2022, the redemption of Galena Park Independent School District Unlimited Tax School Building Bonds, Series 2012, by using Debt Service Fund Balance, the district was able to save \$428,100 in future interest costs. The District makes every

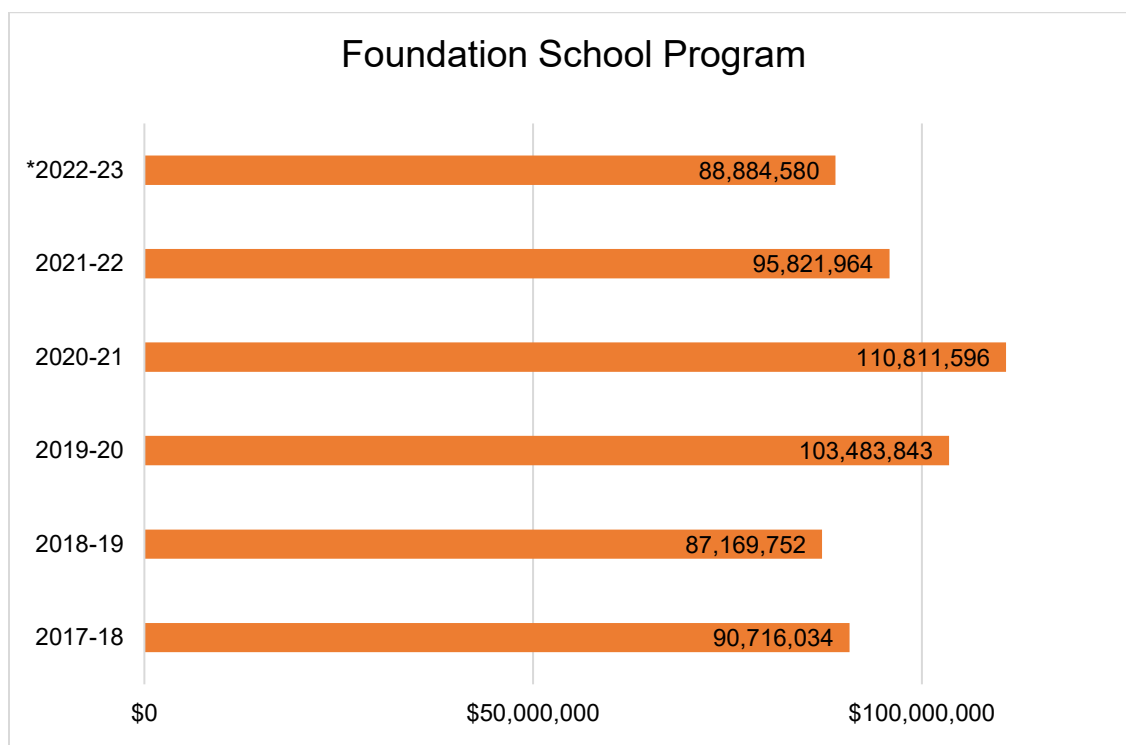
effort to refund bond sales when interest rates are low or authorize redemption, when possible, to continue saving interest costs for the district's taxpayers.

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 FSP amounts received by the District for the past five years, plus the anticipated amount to be received in the current fiscal year.



*Budget

The district received an additional \$2,918,490 FSP payment in Fiscal Year 2020-21 and \$2,237,433 in Fiscal Year 2021-22 as a result of prior year Property Value Audit studies.

Expenditures

General Fund expenditures for 2022-23 are budgeted to decrease \$2,675,689 or 1.08% compared to the 2021-22 adopted budget.

The following table provides a comparison by Major Object for the 2021-22 and 2022-23 adopted budgets.

	Beginning Budget 2021-22	Beginning Budget 2022-23	Percentage change	Percentage of Total
Payroll	\$210,486,718	\$210,604,187	0.06%	85.98%
Contracted Services	17,339,579	16,436,051	(5.21%)	6.71%
Supplies and Materials	10,759,312	9,305,377	(13.51%)	3.80%
Other Operating Costs	6,542,480	7,067,085	8.02%	2.89%
Debt Service	0	799,700	100.00%	0.33%
Capital Outlay	2,483,000	723,000	(70.88%)	0.30%
Total	<u>\$247,611,089</u>	<u>\$244,935,400</u>	<u>(1.08%)</u>	<u>100.00%</u>

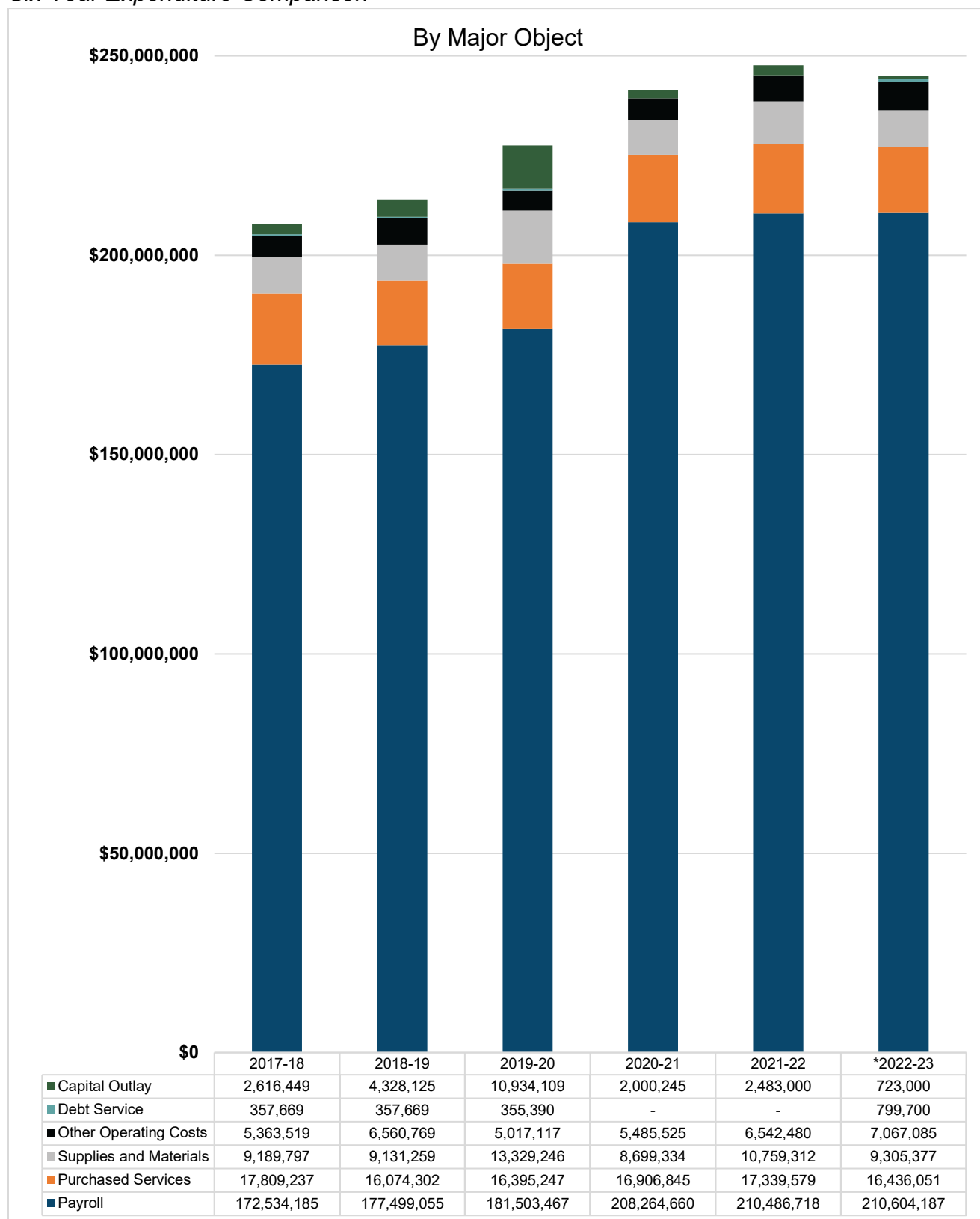
Education is a very labor-intensive process, and the budget reflects this by allocating approximately 85% to payroll expenditures annually. The payroll budget is based on established guidelines and enrollment projections for each campus. Requests for additional staff must be approved by the Board of Trustees; there were no new General Fund positions approved for fiscal year 2022-23.

Total Staff (FTE) Counts by Year

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Teachers	1,409.3	1,358.8	1,374.8	1,399.0	1,400.1	1,383.4
Professional Support	370.4	411.9	384.4	393.7	398.0	417.0
Campus Administration	78.3	87.0	87.9	88.2	89.3	87.8
Central Administration	52.0	54.0	62.0	59.5	56.4	55.0
Educational Aides	239.4	249.7	271.0	257.6	250.0	263.5
Auxiliary	1,044.0	1,056.9	1,074.4	1,034.5	991.6	1,059.3
Total	<u>3,193.4</u>	<u>3,218.3</u>	<u>3,254.5</u>	<u>3,232.5</u>	<u>3,185.4</u>	<u>3,266.0</u>
Percentage change	1.29%	0.78%	1.12%	0.44%	-1.02%	0.35%

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

Six Year Expenditure Comparison

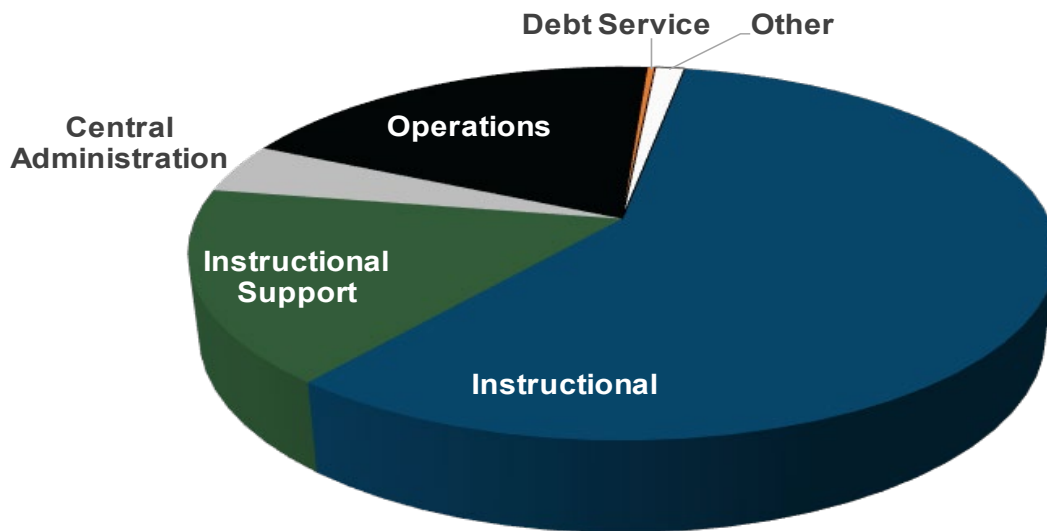


*Budget

The following graph shows the District's 2022-23 General Fund by Major Functional area. Approximately 74.83% is dedicated to Instructional and Instructional Support, 23.52% allocated to areas of Administration and Operations, and 1.64% for Debt Service and other areas.

General Fund Budget by Major Area

■ Instructional	\$ 142,240,600	58.07%
■ Instructional Support	41,062,800	16.76%
■ Central Administration	10,580,000	4.32%
■ Operations	47,033,100	19.20%
■ Debt Service	799,700	0.33%
■ Other	3,219,200	1.31%
	\$ 244,935,400	

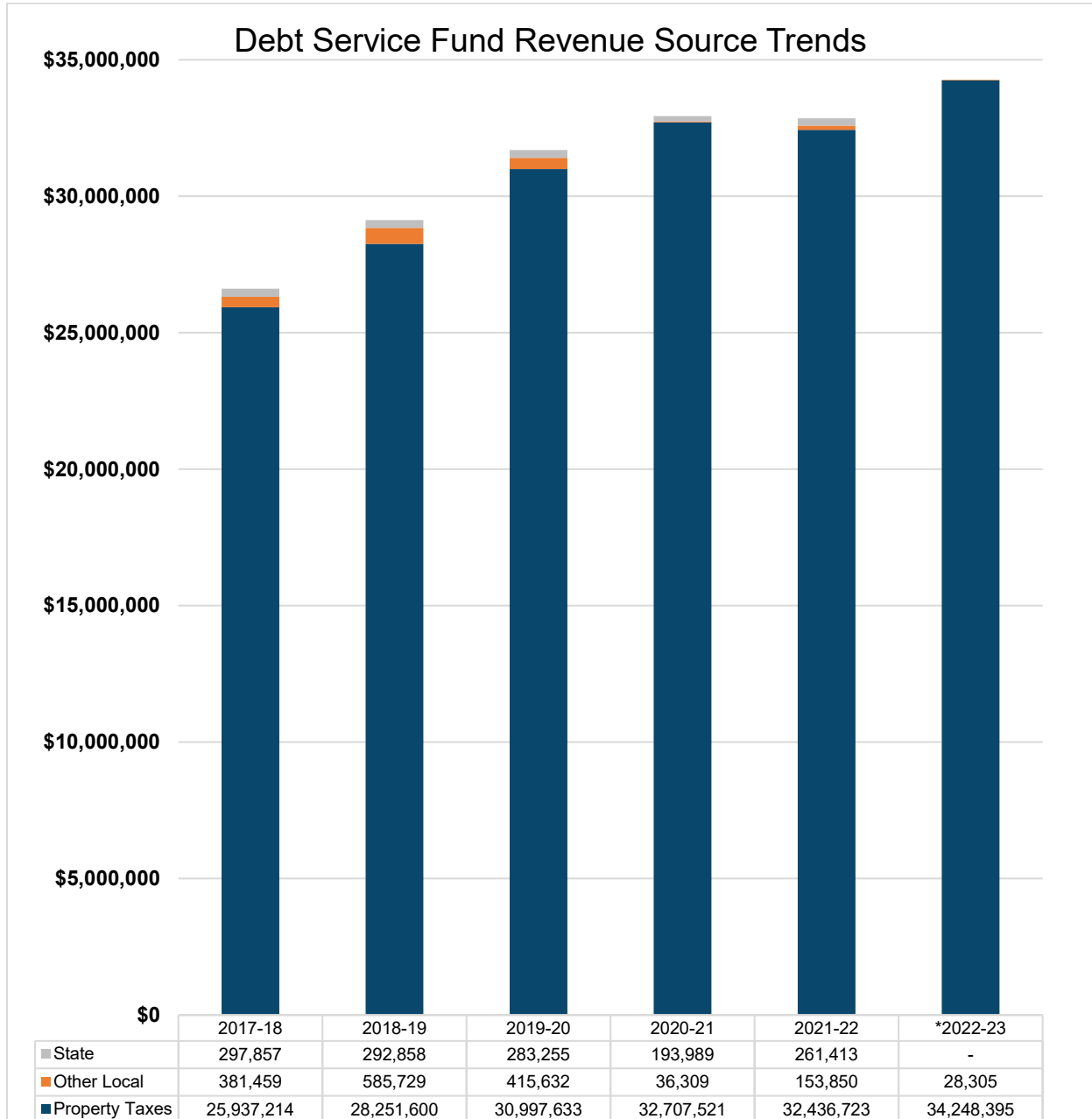


Debt Service

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 2021-22 was \$32,851,986, with the 2022-23 budget anticipating \$34,276,700.



*Budget

Expenditures

Debt Service Fund expenditures for 2022-23 are budgeted to increase \$525,062 or 1.56% over the 2021-22 beginning budget.

The following table provides a comparison by Object for the 2021-22 and 2022-23 beginning budgets.

	Beginning Budget 2021-22	Beginning Budget 2022-23	Percentage change	Percentage of Total
Bond Principal	\$15,380,716	\$16,525,063	7.44%	48.21%
Interest on Bonds	18,362,422	17,744,637	(3.36%)	51.77%
Other Debt Service Fees	8,500	7,000	(17.65%)	0.02%
Total	<u>\$33,751,638</u>	<u>\$34,276,700</u>	1.56%	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.

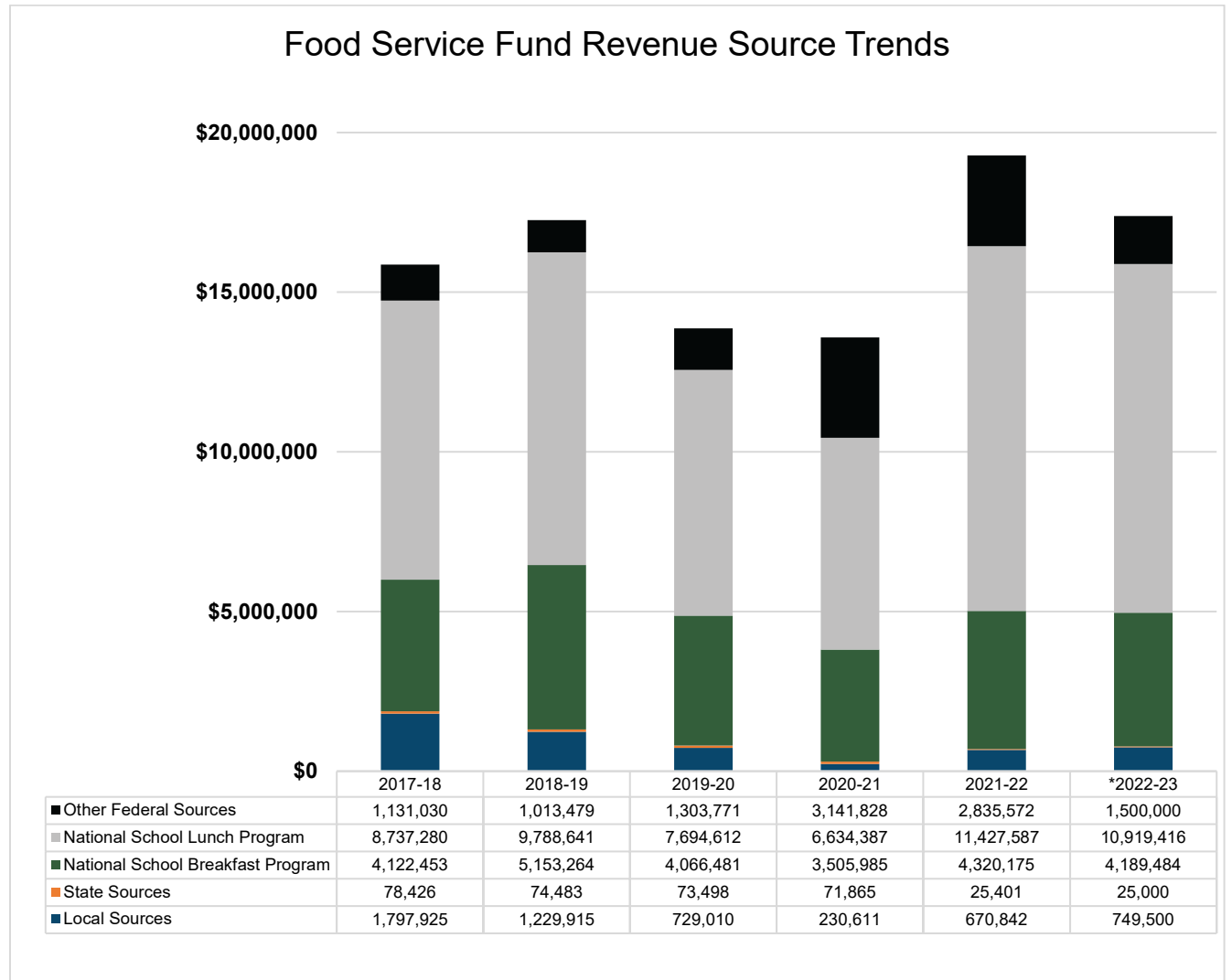
The District makes every effort to refund bond sales when interest rates are low or authorize redemption when possible to continue saving interest costs for the district's taxpayers. In August 2022, the redemption of Galena Park Independent School District Unlimited Tax School Building Bonds, Series 2012, by using Debt Service Fund Balance, the district was able to save \$428,100 in future interest costs.

Total outstanding debt as of August 31, 2022 is \$331,405,674.

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 2021-22 was \$19,279,577 with the 2022-23 budget anticipating \$17,383,400.



* 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 88-98% 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 2022-23 are budgeted to decrease \$600,855 or (3.34%) compared to the 2021-22 beginning budget.

The following table provides a comparison by Major Object for the 2021-22 and 2022-23 beginning budgets.

	Beginning Budget 2021-22	Beginning Budget 2022-23	Percentage change	Percentage of Total
Payroll	\$7,109,321	\$7,251,503	0.00%	41.72%
Contracted Services	252,800	145,690	0.00%	0.84%
Supplies and Materials	10,478,279	9,734,000	2.41%	56.00%
Other Operating Costs	44,855	35,007	0.00%	0.20%
Debt Service	0	7,200	100.00%	0.04%
Capital Outlay	99,000	210,000	0.00%	1.21%
Total	\$17,984,255	\$17,383,400	-3.34%	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. 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 2022

Project Description	Original Budget	Adjusted Budget	Expenditures to Date	Reserved in Purchase Orders	Balance
Projects Completed					
Replacement					
Galena Park Elementary	\$ 26,609,394	\$ 25,055,234	\$ 25,055,234	\$ -	\$ -
North Shore Elementary	33,679,800	31,164,448	31,164,448	-	-
Woodland Acres Elementary	24,400,284	20,100,252	20,100,252	-	-
Cloverleaf Elementary	34,024,795	27,102,615	27,102,615	-	-
Addition					
North Shore Senior 10th Grade	\$ 34,191,876	\$ 28,244,976	\$ 28,244,976	\$ -	\$ -
Renovations					
Summer 2017	\$ 13,994,893	\$ 10,079,269	\$ 10,079,269	\$ -	\$ -
Summer 2019	14,508,704	10,965,958	10,965,958	-	-
Summer 2020	2,585,021	3,364,560	3,364,560	-	-
Summer 2021	-	141,595	141,595	-	-
Land Acquisition					
Total Land Acquisition	\$ 2,500,000	\$ 2,927,940	\$ 2,927,940	\$ -	\$ -
Miscellaneous					
Total Miscellaneous	\$ -	\$ 633,828	\$ 633,828	\$ -	\$ -
Payroll					
Total Payroll	\$ -	\$ 144,555	\$ 144,555	\$ -	\$ -
Total Projects Completed	\$ 186,494,767	\$ 159,925,231	\$ 159,925,231	\$ -	\$ -
Projects In Construction					
Replacement					
Roadway & Utility Relocation	\$ -	\$ 3,793,879	\$ 328,556	\$ 3,465,323	\$ -
Jacinto City Elementary	34,024,795	30,572,821	30,540,619	25,226	6,976
Pyburn Elementary	30,551,527	34,081,532	15,660,918	17,940,459	480,156
Renovations					
Renovations - Summer 2021	\$ 2,181,434	\$ 2,001,832	\$ 1,978,800	\$ 23,032	\$ -
Woodland Acres Middle HVAC	-	3,183,930	2,711,783	472,147	-
Woodland Acres Middle EIFS	-	358,540	341,283	17,256	-
North Shore 10th Glass Replace	-	300,000	2,823	-	297,177
North Shore Middle Vestibule	-	333,500	-	333,264	236
Galena Park High - Phase I	21,538,717	13,608,167	12,879,777.56	268,138	460,250
Galena Park High - Phase II	-	44,791,359	1,158,454	629,382	43,003,522
Total Projects in Construction	\$ 88,296,473	\$ 133,025,559	\$ 65,603,014	\$ 23,174,226	\$ 44,248,318
Projects Pending					
Renovations					
Other	\$ 15,208,761	\$ 603,680	\$ 603,680	\$ -	\$ -
Total Projects Pending	\$ 15,208,761	\$ 603,680	\$ 603,680	\$ -	\$ -
Total - All 2016 Bond Projects	\$ 290,000,000	\$ 293,554,469	\$ 226,131,925	\$ 23,174,226	\$ 44,248,318

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 2022-23	Projected 2023-24	Projected 2024-25	Projected 2025-26
General Fund				
Local	\$ 118,146,100	\$ 122,414,000	\$ 125,899,800	\$ 129,495,100
State	110,267,600	101,658,600	99,152,800	96,549,900
Federal	9,690,900	10,369,300	8,099,200	8,666,200
Total Revenue	\$ 238,104,600	\$ 234,441,900	\$ 233,151,800	\$ 234,711,200
Payroll	\$ 210,604,187	\$ 211,657,200	\$ 212,715,500	\$ 213,779,100
Purchased Services	16,436,051	16,271,700	16,109,000	15,947,900
Supplies and Materials	9,305,377	9,398,400	9,492,400	9,587,300
Other Operating Costs	7,067,085	7,173,100	7,280,700	7,389,900
Debt Service	799,700	799,700	799,700	799,700
Capital Outlay	723,000	715,800	708,600	701,500
Total Expenditures	\$ 244,935,400	\$ 246,015,900	\$ 247,105,900	\$ 248,205,400
Other Uses				
Change to Fund Balance	\$ (6,830,800)	\$ (11,574,000)	\$ (13,954,100)	\$ (13,494,200)
Fund Balance - Beginning	\$ 196,355,123	\$ 189,524,323	\$ 177,950,323	\$ 163,996,223
Fund Balance - Ending	\$ 189,524,323	\$ 177,950,323	\$ 163,996,223	\$ 150,502,023
Debt Service				
Local	\$ 34,276,700	\$ 34,283,600	\$ 34,267,900	\$ 34,274,900
State	-	-	-	-
Total Revenue	\$ 34,276,700	\$ 34,283,600	\$ 34,267,900	\$ 34,274,900
Debt Service	\$ 34,276,700	\$ 34,283,600	\$ 34,267,900	\$ 34,274,900
Total Expenditures	\$ 34,276,700	\$ 34,283,600	\$ 34,267,900	\$ 34,274,900
Other Uses				
Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Fund Balance - Beginning	\$ 2,523,143	\$ 2,523,143	\$ 2,523,143	\$ 2,523,143
Fund Balance - Ending	\$ 2,523,143	\$ 2,523,143	\$ 2,523,143	\$ 2,523,143
Food Service				
Local	\$ 749,500	\$ 751,800	\$ 754,100	\$ 756,400
State	25,000	24,500	24,100	23,700
Federal	16,608,900	16,658,800	16,708,800	16,759,000
Total Revenue	\$ 17,383,400	\$ 17,435,100	\$ 17,487,000	\$ 17,539,100
Payroll	\$ 7,251,503	\$ 7,270,400	\$ 7,289,300	\$ 7,308,300
Purchased Services	145,690	148,600	151,600	154,600
Supplies and Materials	9,734,000	9,763,200	9,792,500	9,821,900
Other Operating Costs	35,007	35,700	36,400	37,100
Debt Service	7,200	7,200	7,200	7,200
Capital Outlay	210,000	210,000	210,000	210,000
Total Expenditures	\$ 17,383,400	\$ 17,435,100	\$ 17,487,000	\$ 17,539,100
Other Uses				
Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Fund Balance - Beginning	\$ 6,643,210	\$ 6,643,210	\$ 6,643,210	\$ 6,643,210

Changes in Debt

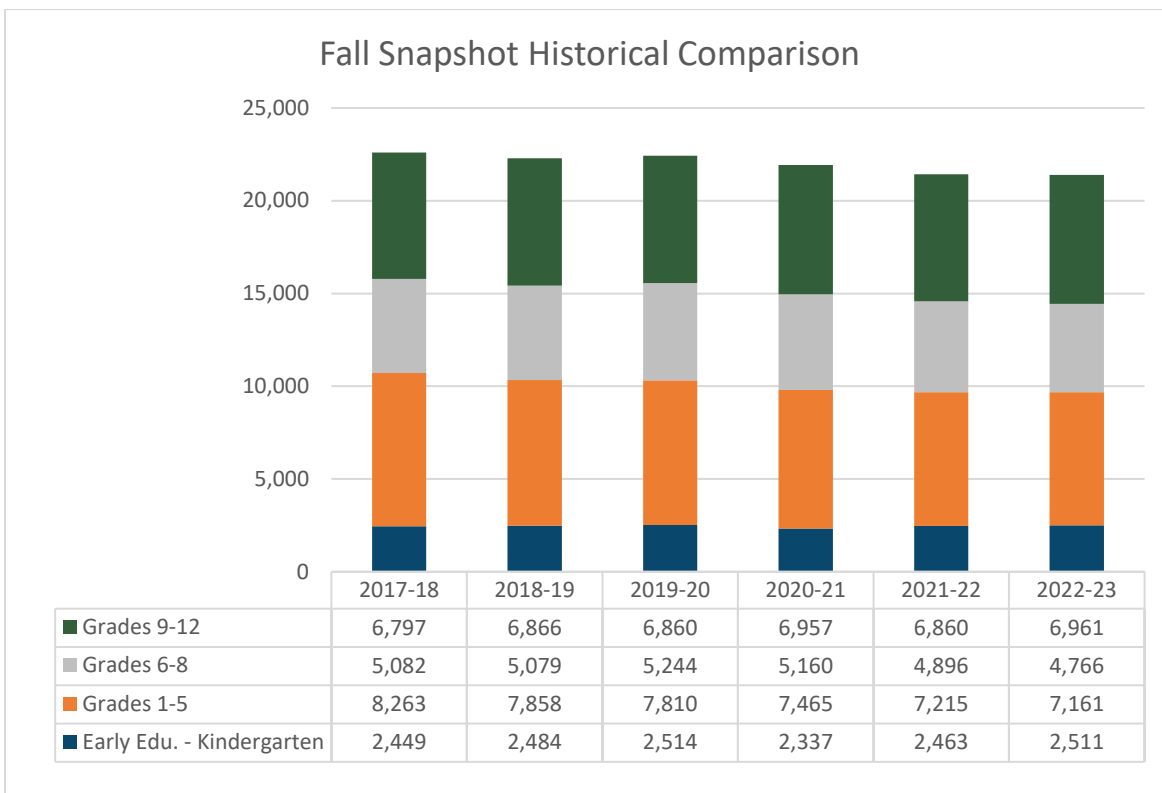
The most recent bond election was held on May 7, 2016 for \$290 million, passing by 72%. The District is using the bond funds to address aging facilities, student safety and 21st century education, including renovations to all 25 educational facilities and 9 support facilities. As of the budget adoption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

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



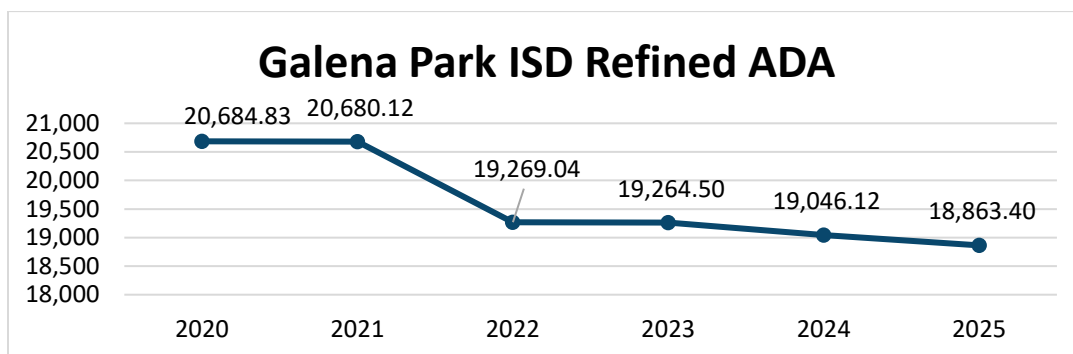
Student Enrollment

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.



	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Total Enrollment	22,591	22,287	22,428	21,919	21,434	21,399

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:

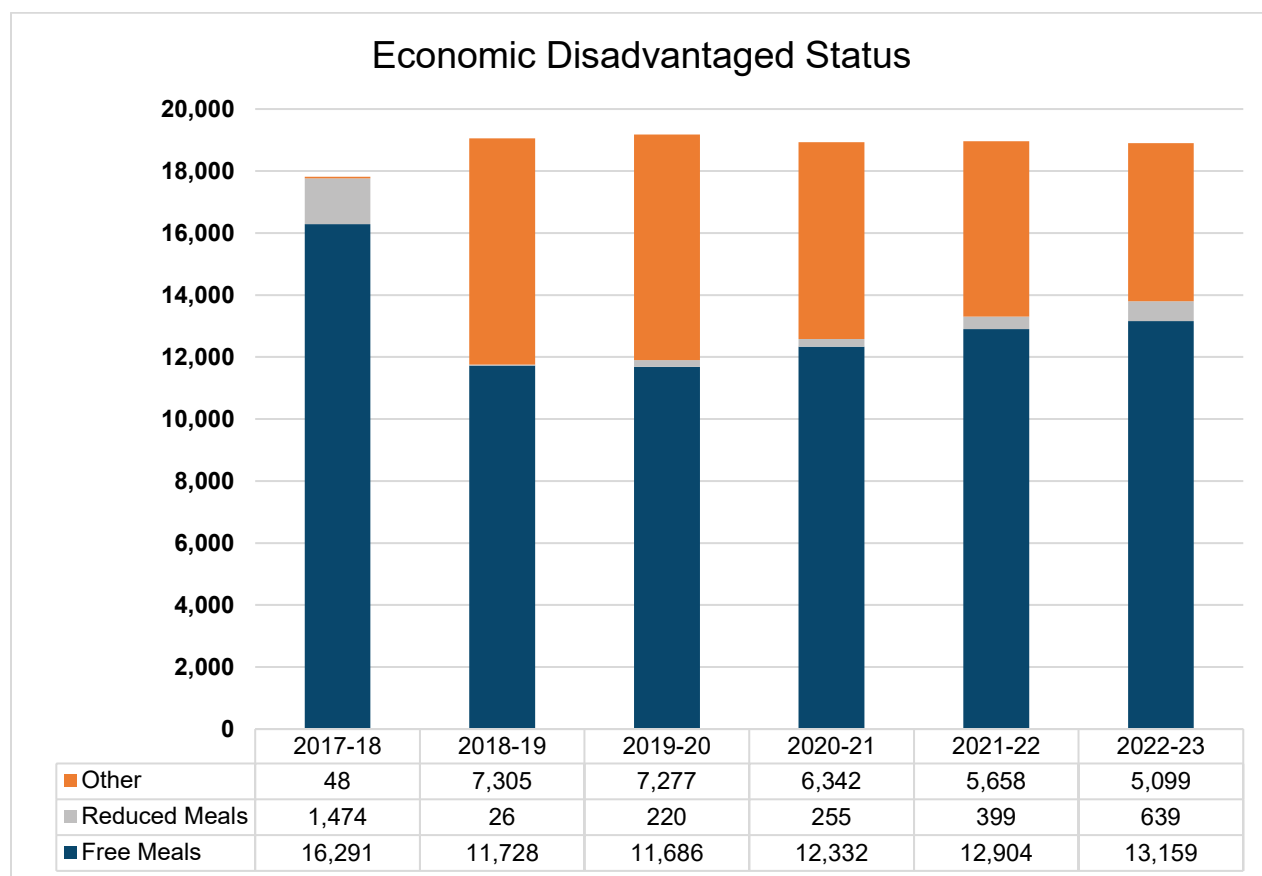
- describes the FSP eligibility requirements for all students
- prescribes the minimum standards for all attendance accounting systems
- lists the documentation requirements for attendance audit purposes
- details the responsibilities of all district personnel involved in student attendance accounting

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.



Organizational Section

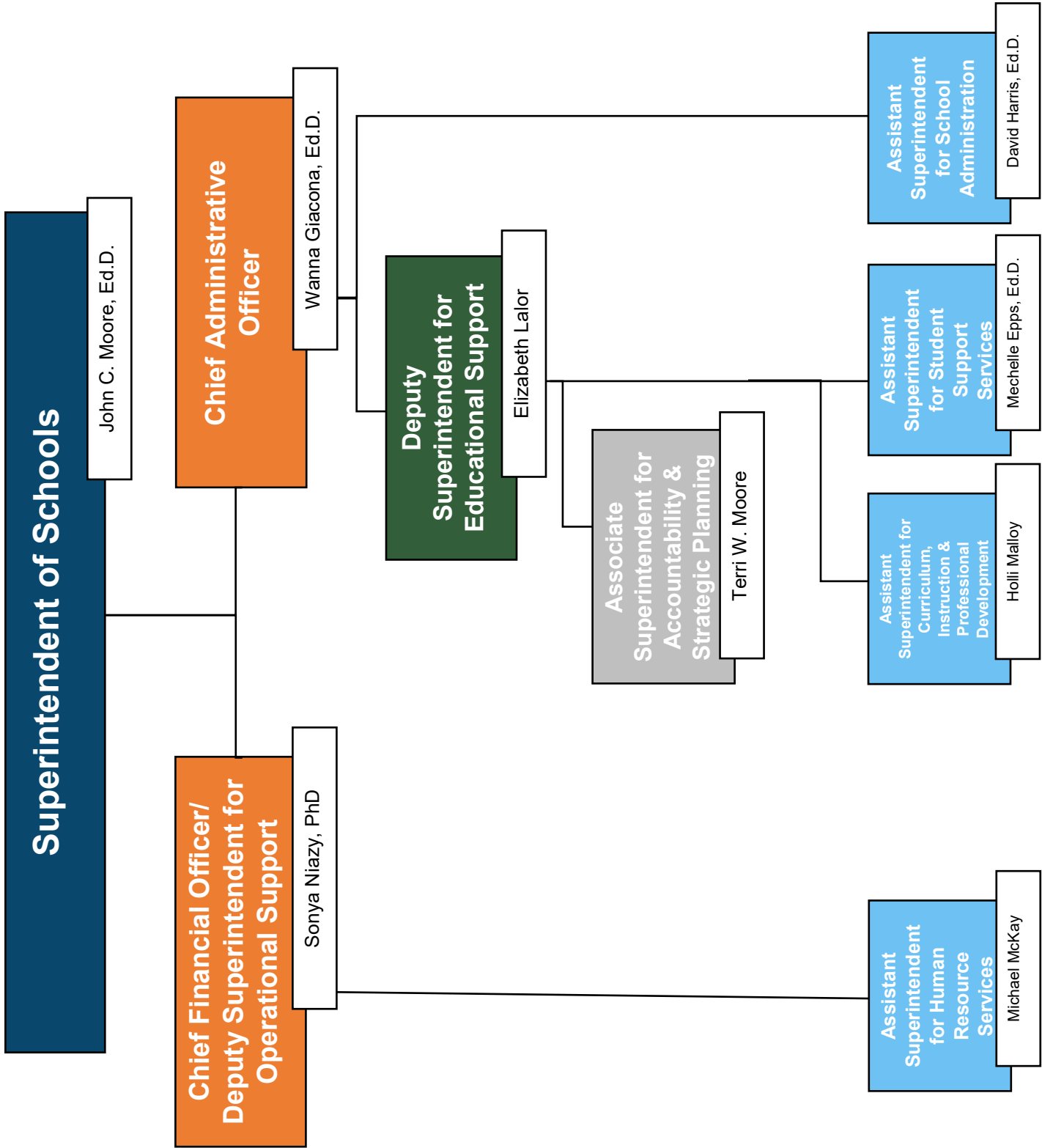
Galena Park ISD

Board of Trustees



First Row: Norma Hernandez, Secretary; Adrian Stephens, President; Noe Esparza, Vice President
Second Row: Herbert Alexander Sanchez, Board Trustee; Linda Clark Sherrard, Board Trustee; John Moore, Superintendent; Wanda Heath Johnson, Board Trustee; Ramon Garza, Board Trustee

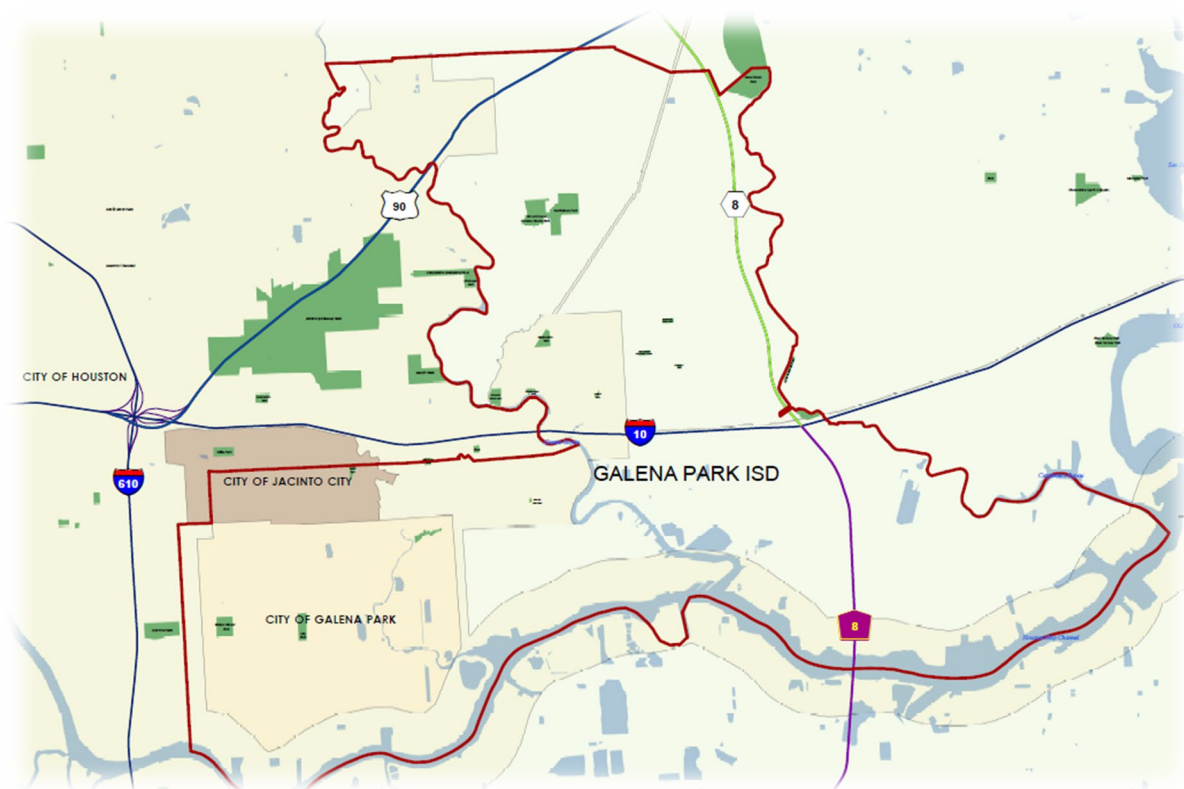
Organizational Chart 2022-23



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 C. 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 21,399 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 Pregnancy, Education, and Parenting education, 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, Future Farmers of America, athletic, academic University Interscholastic League, Leadership Officer Training Corps and Air Force Junior Reserve Officer Training Corps 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	Sarah Castillo
Associate Principal	Christopher Castillo
Associate Principal	Shelley Paquette-Gomez
Assistant Principal	Howard Cook
Assistant Principal	Yeri Villalobos
Assistant Principal	Christina Moore

Serves Grades 9-12

Student Enrollment: 1,914

North Shore Senior High School, 9th Grade Center

Principal	David Pierson
Associate Principal	Barika Noris
Associate Principal	Dayne Robins
Assistant Principal	Christopher Johnson
Assistant Principal	Ruby Bonilla

Serves Grades 9

Student Enrollment: 1,168

North Shore Senior High School, 10th Grade Center

Principal	Kenneth Bryant
Associate Principal	Diana Mendieta
Associate Principal	Erik Esparza
Assistant Principal	Dr. Bartholomew Graves

Serves Grades 10

Student Enrollment: 1,112

North Shore Senior High School

Principal	Dr. Joe Coleman
Deputy Principal	Dr. Ostrova McGary
Deputy Principal	Jillian Howard
Associate Principal	Margo Kelley
Associate Principal	Christopher Griffith
Associate Principal	Scott Merry
Assistant Principal	Belen Polanco
Assistant Principal	Ariel Aleman
Assistant Principal	Gaye Don Minchew

Serves Grades 11-12

Student Enrollment: 2,394

Early College High School

Principal	Dr. Jeff Hutchinson
Assistant Principal	Dr. Ashley Sherrard

Serves Grades 9-12

Student Enrollment: 464



Cobb 6th Grade

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

Serves Grade 6

Student Enrollment: 1,030

Galena Park Middle

Principal	Richard Ramirez
Assistant Principal	Evelyn Aaron
Assistant Principal	Raul Gutierrez
Assistant Principal	Elizabeth Nava

Serves Grades 6-8

Student Enrollment: 943

North Shore Middle

Principal	Dr. Christopher Eckford
Assistant Principal	Yesenia De La Cruz
Assistant Principal	Patrick Piazze-McMahon
Assistant Principal	Terika Stewart
Assistant Principal	Keith Skiles

Serves Grades 7-8

Student Enrollment: 1,260

Cunningham Middle

Principal	Dr. Oleavia Morris
Assistant Principal	Nicole Newsome
Assistant Principal	Torrance Brooks
Assistant Principal	James Hair

Serves Grades 7-8

Student Enrollment: 928

Woodland Acres Middle

Principal	Juan C. Ramirez
Assistant Principal	Diego Merino
Assistant Principal	Lakeisha Washington

Serves Grades 6-8

Student Enrollment: 603

Cimarron Elementary

Principal Janie Jimenez
Assistant Principal Veronica Garza
Serves Grades Pre-Kindergarten-5
Student Enrollment: 677

Cloverleaf Elementary

Principal Lowell Brown
Assistant Principal Angeles Rosales
Assistant Principal Steven Alley
Serves Grades Pre-Kindergarten-5
Student Enrollment: 803

Galena Park Elementary

Principal Jaime Rocha
Assistant Principal Laurie Crockett
Serves Grades Pre-Kindergarten-5
Student Enrollment: 597

Green Valley Elementary

Principal Manuel Escalante
Assistant Principal Katricia Johnson
Serves Grades Pre-Kindergarten-5
Student Enrollment: 598

Havard Elementary

Principal Dr. Lisa Hamblen
Assistant Principal Karen Bernal
Serves Grades Pre-Kindergarten-5
Student Enrollment: 666

Jacinto City Elementary

Principal Dr. Rebecca Gardea
Assistant Principal Cecilia Meza
Serves Grades Pre-Kindergarten-5
Student Enrollment: 714

MacArthur Elementary

Principal Maria Muñoz
Assistant Principal John Killough
Serves Grades Pre-Kindergarten-5
Student Enrollment: 614

Normandy Crossing Elementary

Principal Irene Benzor
Assistant Principal Ashleigh Barrett
Assistant Principal Dr. Brian Keil
Serves Grades Pre-Kindergarten-5
Student Enrollment: 660

North Shore Elementary

Principal Esmeralda Perez
Assistant Principal Dr. Victoria Garcia-Hernandez
Assistant Principal Kimberly Wells
Serves Grades Pre-Kindergarten-5
Student Enrollment: 951

Purple Sage Elementary

Principal Wendy McGee
Assistant Principal Nely Ornelas
Serves Grades Pre-Kindergarten-5
Student Enrollment: 451

Pyburn Elementary

Principal Conrad Rivera
Assistant Principal Angelica Cuellar
Serves Grades Pre-Kindergarten-5
Student Enrollment: 461

Sam Houston Elementary

Principal Michelle Cavazos
Assistant Principal Hilda Nañez
Assistant Principal Sandra Rendon
Serves Grades Pre-Kindergarten-5
Student Enrollment: 708

Tice Elementary

Principal Toshia Gouard
Assistant Principal Steven Gonzales
Serves Grades Pre-Kindergarten-5
Student Enrollment: 668

Shirley J. Williamson Elementary

Principal Lemond Mitchell
Assistant Principal Alysia Chatman
Serves Grades Pre-Kindergarten-5
Student Enrollment: 661

Woodland Acres Elementary

Principal Sandra Rodriguez
Assistant Principal Alaide Zavala
Serves Grades Pre-Kindergarten-5
Student Enrollment: 443

Joyce Zotz Education Center

Principal Marcus Morrow
Deputy Principal Erica Y. Lewis
Associate Principal Kresha Lane
Assistant Principal Dr. Tanisha Rogers
Night School Administrator Sheila Curtis
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 2022, the District Improvement Plan is as follows:

- **Goal 1: Mental, Physical, and Emotional Safety and Health for all Students and Staff**
 - **Performance Objective 1:** Teach safety practices and protocols to 100% of students and staff
 - **Performance Objective 2:** A full-time police officer will be assigned to every campus
 - **Performance Objective 3:** Implement an effective student discipline management plan to reduce discipline incident rates and maintain compliance with state and federal requirements
 - **Performance Objective 4:** Maintain a healthy environment so staff and students thrive and are productive
 - **Performance Objective 5:** All campuses will provide social and emotional support through various programs

Budget Allocated	Compensation: \$ 12,038,800
	Departmental: <u>8,511,100</u>
	Total \$ 20,549,900

- **Goal 2: Student Achievement and Post-Secondary Readiness**
 - **Performance Objective 1:** Increase the number of students who graduate college-ready in English and Math
 - **Performance Objective 2:** Increase the number of students who graduate with an Associate's Degree or a Certificate of Technology
 - **Performance Objective 3:** Improve state test scores in all categories
 - **Performance Objective 4:** Increase the number of students who complete a Career and Technology Education (CTE) sequence of courses
 - **Performance Objective 5:** Increase promotion and graduation rates

Budget Allocated	Compensation: \$ 145,867,000
	Departmental: <u>7,180,000</u>
	Total \$ 153,047,000

- **Goal 3: Wide Range of Student Opportunities**
 - **Performance Objective 1:** Increase participation in student clubs, enrichment activities and extracurricular opportunities

- **Performance Objective 2:** Increase participation and performance in high quality fine arts programs in art, dance, music and theatre
- **Performance Objective 3:** Track regional labor demands to adjust/facilitate changes in GPISD Programs of Study (POS) offerings

Budget Allocated	Compensation:	\$ 5,067,200
	Departmental:	<u>1,708,900</u>
	Total	\$ 6,776,100

- **Goal 4: High Quality Staff**

- **Performance Objective 1:** Increase employee retention by 1% by recruiting, developing and supporting highly qualified staff
- **Performance Objective 2:** Obtain an employee satisfaction rate of 80% or higher in regard to employee relations services
- **Performance Objective 3:** Provide training to selected employees in order to prepare them for advancement
- **Performance Objective 4:** Survey staff annually on professional development needs

Budget Allocated	Compensation:	\$ 20,771,300
	Departmental:	<u>414,800</u>
	Total	\$ 21,186,100

- **Goal 5: Excellent Operational and Fiscal Support and Responsibility**

- **Performance Objective 1:** Ensure efficient and effective use of District resources in order to best support students and staff
- **Performance Objective 2:** Ensure fiscal soundness in future years and maintain organizational capacity sufficient to support progress towards fulfilling the District mission
- **Performance Objective 3:** The operational department will have life cycle replacement plans to ensure GPISD can maintain excellent facilities and equipment

Budget Allocated	Compensation:	\$ 25,547,100
	Departmental:	<u>17,829,200</u>
	Total	\$ 43,376,300

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 52.

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 is 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 2021-22 was \$239,630,519, with the 2022-23 budget anticipating \$238,104,600.

Revenue from local property taxes make up approximately 45% of the District's revenue, and property values in the area have been steadily increasing over the past years. Property taxes accounted for \$107,624,308 of the District's total General Fund revenue for fiscal year 2021-22.

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." FSP payments accounted for \$98,059,397 of the District's total revenue for fiscal year 2021-22.

Education is a very labor-intensive process, and the budget reflects this by allocating approximately 85% to payroll expenditures annually. For fiscal year 2021-22, \$200,239,041 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 2021-22 was \$32,851,987, with \$32,436,723 coming from property tax payments.

All principal and interest payments are due February 15th and August 15th of each year. In fiscal year 2021-22, the District paid \$17,980,716 in bond principal and \$18,362,422 in interest. The bond principal payment amount includes the redemption of callable principal balance of the Unlimited Tax Refunding Bonds, Series 2012.

Total outstanding debt as of August 31st, 2022 is \$331,405,674.

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 2021-22 was \$19,279,577 with the 2022-23 budget anticipating \$17,383,400.

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 \$15,747,762 was received through these programs for fiscal year 2021-22. 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 2021-22, \$617,593 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 \$7,209,400 and \$6,307,181 (respectively) for fiscal year 2021-22.



Page Intentionally Left Blank

Financial Section

Overview and Highlights

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

Revenues

General Fund

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

Debt Service

A majority of funding is derived from a designated allocation of the property tax levy, 98.74% for 2021-22. Of the remainder of the Debt Service revenue, 0.47% is from interest income derived from temporary investments, and 0.80% from State program revenues for 2021-22. For additional information, see the Debt Service Fund section of this book.

Food Service

Approximately 92% of the 2021-22 revenue in this fund was 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.

2022-23 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	\$ 118,146,100	49.62%	\$ 34,276,700	100.00%	\$ 749,500	4.31%	\$ 153,172,300	52.86%
State	110,267,600	46.31%	-	0.00%	25,000	0.14%	110,292,600	38.06%
Federal	9,690,900	4.07%	-	0.00%	16,608,900	95.54%	26,299,800	9.08%
Total Revenue	\$ 238,104,600	100.00%	\$ 34,276,700	100.00%	\$ 17,383,400	100.00%	\$ 289,764,700	100.00%
	Expenditures	% of Total	Expenditures	% of Total	Expenditures	% of Total	Expenditures	% of Total
Payroll Costs	\$ 210,604,187	85.98%	\$ -	0.00%	\$ 7,251,503	41.72%	\$ 217,855,690	73.45%
Contracted Services	16,436,051	6.71%	-	0.00%	145,690	0.84%	16,581,741	5.59%
Supplies & Materials	9,305,377	3.80%	-	0.00%	9,734,000	56.00%	19,039,377	6.42%
Other Operating Costs	7,067,085	2.89%	-	0.00%	35,007	0.20%	7,102,092	2.39%
Debt Service	799,700	0.33%	34,276,700	100.00%	7,200	0.04%	35,083,600	11.83%
Capital Outlay	723,000	0.30%	-	0.00%	210,000	1.21%	933,000	0.31%
Total Expenditure	\$ 244,935,400	100.00%	\$ 34,276,700	100.00%	\$ 17,383,400	100.00%	\$ 296,595,500	100.00%
Budget Deficit/Surplus	\$ (6,830,800)		\$ -		\$ -		\$ (6,830,800)	
Beginning Fund Balance	\$ 196,385,247		\$ 2,523,143		\$ 6,710,298		\$ 205,618,688	
Projected Ending Fund Balance 08/31/2023	\$ 189,554,447		\$ 2,523,143		\$ 6,710,298		\$ 198,787,888	



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

		2018-2019 Audited	2019-2020 Audited	2020-2021 Audited	2021-2022 Unaudited
Revenues					
<u>Major Object</u>					
Local Sources	5700	\$ 142,544,913	\$ 143,883,188	\$ 147,104,082	\$ 143,771,652
State Sources	5800	108,376,488	122,391,227	136,059,186	120,657,616
Federal Sources	5900	22,660,360	17,857,875	20,942,521	27,332,815
Transfers In	7000	-	-	-	-
Total Revenues		\$ 273,581,761	\$ 284,132,290	\$ 304,105,789	\$ 291,762,083
Expenses					
<u>Function</u>					
Instruction	11	\$ 115,506,266	\$ 118,862,521	\$ 137,331,341	\$ 130,728,990
Instructional Resources & Media Services	12	2,462,602	2,362,142	2,776,099	2,615,570
Curriculum & Staff Development	13	4,447,989	4,248,768	5,339,655	5,591,564
Instructional Leadership	21	5,905,690	6,397,613	5,860,151	5,778,336
School Leadership	23	15,304,401	16,220,237	17,037,626	16,713,041
Guidance, Counseling & Evaluation	31	7,320,474	7,826,500	8,924,798	9,212,738
Social Work Services	32	525,094	592,562	634,197	628,856
Health Services	33	1,725,193	1,924,924	2,447,556	2,312,922
Student Transportation	34	7,975,618	9,263,598	8,394,754	9,619,397
Food Services	35	15,651,622	14,481,564	13,541,316	16,231,325
Cocurricular/Extracurricular Activities	36	4,050,165	3,865,300	4,124,782	4,021,142
General Administration	41	8,911,109	9,310,128	9,228,106	9,071,042
Plant Maintenance & Operations	51	27,138,417	30,765,639	27,836,451	28,009,660
Security & Monitoring Services	52	2,999,075	3,980,016	3,698,027	3,978,924
Data Processing Services	53	3,720,747	5,124,229	4,543,837	4,657,075
Community Services	61	956,110	1,444,557	1,359,139	1,651,660
Debt Service	71	30,241,456	32,750,930	36,804,562	37,108,518
Facilities Acquisition/Construction	81	3,911,839	3,909,681	720,744	940,568
Other Intergovernmental Charges	99	978,581	1,043,300	1,051,148	1,046,378
Total Expenses		\$ 259,732,448	\$ 274,374,209	\$ 291,654,289	\$ 289,917,705
<u>Major Object</u>					
Payroll Costs	6100	\$ 184,511,278	\$ 188,406,445	\$ 215,190,977	\$ 207,448,441
Professional & Contracted Services	6200	16,260,325	16,527,780	17,106,826	17,550,496
Supplies & Materials	6300	17,780,817	20,603,308	15,039,137	19,255,406
Other Operating Costs	6400	6,586,197	5,029,592	5,512,540	6,382,905
Debt Service	6500	30,241,456	32,750,930	36,804,562	37,108,518
Capital Outlay - Land, Buildings, & Equip.	6600	4,352,375	11,056,153	2,000,246	2,171,940
		\$ 259,732,448	\$ 274,374,209	\$ 291,654,289	\$ 289,917,705
Total Other Resources		\$ 151,655	\$ 230,549	\$ 146,151	\$ 97,211
Fund Balance - Beginning		\$ 165,843,856	\$ 179,844,824	\$ 189,833,454	\$ 202,431,105
Prior period adjustment		-	-	-	-
Fund Balance - Ending		\$ 179,844,824	\$ 189,833,454	\$ 202,431,105	\$ 204,372,693

**Galena Park Independent School District
Combined Projected Revenues and Expenses
Operating Funds**

		2022-2023 Adopted Budget	2023-2024 Projected	2024-2025 Projected	2025-2026 Projected
Revenues					
<u>Major Object</u>					
Local Sources	5700	\$ 153,172,300	\$ 157,449,400	\$ 160,921,800	\$ 164,526,400
State Sources	5800	110,292,600	101,683,100	99,176,900	96,573,600
Federal Sources	5900	26,299,800	27,028,100	24,808,000	25,425,200
Transfers In	7000	-	-	-	-
Total Revenues		\$ 289,764,700	\$ 286,160,600	\$ 284,906,700	\$ 286,525,200
Expenses					
<u>Function</u>					
Instruction	11	\$ 134,907,900	\$ 135,491,800	\$ 136,081,000	\$ 136,675,000
Instructional Resources & Media Services	12	2,699,900	2,711,600	2,723,400	2,735,300
Curriculum & Staff Development	13	4,632,800	4,652,900	4,673,100	4,693,500
Instructional Leadership	21	6,480,900	6,509,000	6,537,300	6,565,800
School Leadership	23	17,805,900	17,883,000	17,960,700	18,039,200
Guidance, Counseling & Evaluation	31	9,385,300	9,425,900	9,466,900	9,508,200
Social Work Services	32	690,000	693,000	696,000	699,100
Health Services	33	2,300,200	2,310,200	2,320,200	2,330,400
Student Transportation	34	10,280,800	10,325,300	10,370,200	10,415,500
Food Services	35	17,160,700	17,235,000	17,309,900	17,385,500
Cocurricular/Extracurricular Activities	36	4,400,500	4,419,600	4,438,800	4,458,200
General Administration	41	10,580,000	10,625,800	10,672,000	10,718,600
Plant Maintenance & Operations	51	28,066,600	28,188,100	28,310,700	28,434,200
Security & Monitoring Services	52	3,733,000	3,749,200	3,765,500	3,781,900
Data Processing Services	53	5,168,200	5,190,600	5,213,100	5,235,900
Community Services	61	1,646,300	1,653,400	1,660,600	1,667,800
Debt Service	71	35,083,600	35,090,500	35,074,800	35,081,800
Facilities Acquisition/Construction	81	457,900	459,900	461,900	463,900
Other Intergovernmental Charges	99	1,115,000	1,119,800	1,124,700	1,129,600
Total Expenses		\$ 296,595,500	\$ 297,734,600	\$ 298,860,800	\$ 300,019,400
<u>Major Object</u>					
Payroll Costs	6100	\$ 217,855,690	\$ 218,927,600	\$ 220,004,800	\$ 221,087,400
Professional & Contracted Services	6200	16,581,741	16,420,300	16,260,600	16,102,500
Supplies & Materials	6300	19,039,377	19,161,600	19,284,900	19,409,200
Other Operating Costs	6400	7,102,092	7,208,800	7,317,100	7,427,000
Debt Service	6500	35,083,600	35,090,500	35,074,800	35,081,800
Capital Outlay - Land, Buildings, & Equip.	6600	933,000	925,800	918,600	911,500
		\$ 296,595,500	\$ 297,734,600	\$ 298,860,800	\$ 300,019,400
Total Other Resources	7900	\$ -	\$ -	\$ -	\$ -
Fund Balance - Beginning		\$ 204,372,693	\$ 197,541,893	\$ 185,967,893	\$ 172,013,793
Prior period adjustment		-	-	-	-
Fund Balance - Ending		\$ 197,541,893	\$ 185,967,893	\$ 172,013,793	\$ 158,519,593

Assumptions:

*Property value growth of 4.0%

*Taxable Values with 97.0% collection rate

*Bond repayment schedule as of August 31, 2022

*The COVID-19 Pandemic has had a negative impact in District enrollment and attendance. The Texas Education Agency has made adjustments in 2020-21 and 2021-22 to help districts transition without experiencing immediate detrimental decreases; the District will continue to monitor spending, making reductions as necessary.

*The District has sufficient unassigned Fund Balance to cover projected deficits, however, contingency plans are being developed to prevent over depletion

*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

		2018-2019 Actuals (Audited)	2019-2020 Actuals (Audited)	2020-2021 Actuals (Audited)	2021-2022 Actuals (Unaudited)	2022-2023 Adopted Budget
REVENUES						
LOCAL AND INTERMEDIATE						
5711	Taxes Current Year Levy	\$ 104,581,604	\$ 106,653,230	\$ 109,769,373	\$ 107,106,231	\$ 114,717,685
5712	Taxes, Prior Year	1,136,452	(62,094)	1,157,676	(632,286)	750,000
5718	P, I, & Other Tax Revenue - Tax Certificate	-	-	-	-	-
5719	Taxes, Prior Year	1,073,528	999,600	1,322,350	1,150,363	800,000
5739	Tuition And Fees From Local Sources	225,488	392,256	498,970	648,777	530,000
5742	Earnings From Investments	4,403,860	2,934,345	460,909	1,121,893	530,015
5743	Rent	94,564	72,955	45,044	70,580	56,800
5744	Gifts & Bequests	61,032	44,331	17,926	17,157	15,000
5745	Insurance Recovery	49,837	51,613	305,191	76,883	35,400
5749	Other Revenue From Local Sources	478,909	382,481	322,337	553,583	435,700
5752	Athletic Activities	353,901	262,558	203,129	379,021	257,700
5755	Enterprising Services Revenue	-	-	-	1,164	-
5759	Cocurricular, Enterprising Services & Activities	5,315	-	2,539	-	5,100
5769	Misc Rev. From Intermediate Sources	13,179	9,640	24,198	16,869	12,700
5700	Local and Intermediate Totals	\$ 112,477,669	\$ 111,740,914	\$ 114,129,640	\$ 110,510,236	\$ 118,146,100
STATE						
5811	Per Capita Apportionment	\$ 10,161,308	\$ 6,640,926	\$ 10,073,742	\$ 10,565,268	\$ 8,883,020
5812	Foundation School Program Act Ent	87,169,752	103,483,843	113,730,086	98,059,397	88,884,580
5819	Other Foundation School Program Act Ent	814,977	-	163,801	-	-
5828	State Program Revenues - Pre-K	-	-	-	-	-
5829	State Program Revenues	-	189,286	2,715	22,660	-
5831	TRS Care-On-Behalf Payments	9,860,310	11,718,844	11,769,351	11,671,789	12,500,000
5839	Other Revenue From TX Agencies	2,800	1,575	3,150	-	-
5849	Shared Services Arrangements—State Revenues	-	-	50,487	51,688	-
5800	State Totals	\$ 108,009,147	\$ 122,034,474	\$ 135,793,332	\$ 120,370,801	\$ 110,267,600
FEDERAL						
5919	Federal Revenues Distributed	\$ 416,909	\$ 550,701	\$ 562,849	\$ 549,265	\$ 575,000
5921	School Breakfast Program	221,452	210,301	211,167	176,088	-
5922	School Lunch Program	420,648	397,857	399,498	465,783	625,500
5929	Federal Revenues	697,505	1,279,435	2,088,755	3,021,672	5,303,800
5931	School Health & Related Services	4,779,673	2,194,482	3,295,834	3,666,831	3,030,200
5932	Medicade Adm Claiming Program	67,098	48,668	86,127	122,517	156,400
5939	Fed Revenue Other Than TEA	65,917	108,778	1,006,826	734,829	-
5949	Fed Revenue Dist From Fed Government	35,774	1,000	9,266	12,496	-
5900	Federal Totals	\$ 6,704,976	\$ 4,791,222	\$ 7,660,320	\$ 8,749,482	\$ 9,690,900
5000	TOTAL ALL REVENUES	\$ 227,191,792	\$ 238,566,610	\$ 257,583,292	\$ 239,630,519	\$ 238,104,600

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

		2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
		Actuals (Audited)	Actuals (Audited)	Actuals (Audited)	Actuals (Unaudited)	Adopted Budget
EXPENDITURES						
11 INSTRUCTION						
6100	Payroll Costs	\$ 110,184,731	\$ 109,994,000	\$ 132,605,736	\$ 124,672,579	\$ 130,330,024
6200	Professional and Contracted Services	1,448,525	1,522,863	1,291,319	763,213	947,787
6300	Supplies and Materials	3,442,435	7,002,816	3,065,080	4,407,344	3,088,715
6400	Other Operating Costs	420,750	305,673	297,836	501,773	541,374
6600	Capital Outlay	9,825	37,170	71,370	384,080	-
Total Function 11		\$ 115,506,266	\$ 118,862,521	\$ 137,331,341	\$ 130,728,990	\$ 134,907,900
12 INSTRUCTIONAL RESOURCES AND MEDIA SERVICES						
6100	Payroll Costs	\$ 2,202,846	\$ 2,217,853	\$ 2,585,544	\$ 2,442,932	\$ 2,521,484
6200	Professional and Contracted Services	19,205	23,601	23,035	23,325	22,343
6300	Supplies and Materials	231,622	117,801	165,573	145,050	150,698
6400	Other Operating Costs	3,814	2,886	1,947	4,263	5,375
6600	Capital Outlay	5,115	-	-	-	-
Total Function 12		\$ 2,462,602	\$ 2,362,142	\$ 2,776,099	\$ 2,615,570	\$ 2,699,900
13 CURRICULUM AND INSTRUCTIONAL STAFF DEVELOPMENT						
6100	Payroll Costs	\$ 3,915,471	\$ 3,844,731	\$ 4,607,693	\$ 4,696,822	\$ 3,867,915
6200	Professional and Contracted Services	72,021	116,517	101,703	223,750	183,086
6300	Supplies and Materials	200,523	194,223	413,567	373,365	303,765
6400	Other Operating Costs	259,974	93,297	216,692	290,528	278,034
6600	Capital Outlay	-	-	-	7,100	-
Total Function 13		\$ 4,447,989	\$ 4,248,768	\$ 5,339,655	\$ 5,591,564	\$ 4,632,800
21 INSTRUCTIONAL LEADERSHIP						
6100	Payroll Costs	\$ 5,124,930	\$ 5,615,735	\$ 5,046,203	\$ 4,846,999	\$ 5,428,181
6200	Professional and Contracted Services	82,175	129,519	114,787	109,075	116,741
6300	Supplies and Materials	434,811	478,194	527,611	481,860	607,461
6400	Other Operating Costs	263,774	174,165	171,549	340,403	328,517
6600	Capital Outlay	-	-	-	-	-
Total Function 21		\$ 5,905,690	\$ 6,397,613	\$ 5,860,151	\$ 5,778,336	\$ 6,480,900
23 SCHOOL LEADERSHIP						
6100	Payroll Costs	\$ 14,245,093	\$ 15,371,017	\$ 16,117,625	\$ 15,678,522	\$ 16,712,026
6200	Professional and Contracted Services	96,242	114,175	123,642	89,979	142,250
6300	Supplies and Materials	392,075	379,126	386,780	438,738	440,998
6400	Other Operating Costs	570,991	355,919	409,579	498,053	510,626
6600	Capital Outlay	-	-	-	7,749	-
Total Function 23		\$ 15,304,401	\$ 16,220,237	\$ 17,037,626	\$ 16,713,041	\$ 17,805,900

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

	2018-2019 Actuals (Audited)	2019-2020 Actuals (Audited)	2020-2021 Actuals (Audited)	2021-2022 Actuals (Unaudited)	2022-2023 Adopted Budget
31 GUIDANCE COUNSELING AND EVALUATION SERVICES					
6100 Payroll Costs	\$ 7,047,779	\$ 7,579,350	\$ 8,641,622	\$ 8,924,390	\$ 9,087,006
6200 Professional and Contracted Services	6,812	49,469	62,894	47,830	56,898
6300 Supplies and Materials	209,546	178,443	202,468	213,021	216,799
6400 Other Operating Costs	32,543	19,238	17,814	27,499	24,597
6600 Capital Outlay	23,794	-	-	-	-
Total Function 31	\$ 7,320,474	\$ 7,826,500	\$ 8,924,798	\$ 9,212,738	\$ 9,385,300
32 SOCIAL WORK SERVICES					
6100 Payroll Costs	\$ 463,495	\$ 537,558	\$ 566,606	\$ 566,983	\$ 618,454
6200 Professional and Contracted Services	50,622	44,032	57,400	48,625	63,428
6300 Supplies and Materials	3,100	7,854	6,174	6,501	1,750
6400 Other Operating Costs	7,877	3,118	4,017	6,748	6,368
6600 Capital Outlay	-	-	-	-	-
Total Function 32	\$ 525,094	\$ 592,562	\$ 634,197	\$ 628,856	\$ 690,000
33 HEALTH SERVICES					
6100 Payroll Costs	\$ 1,676,704	\$ 1,812,455	\$ 2,377,828	\$ 2,256,916	\$ 2,238,120
6200 Professional and Contracted Services	2,241	3,732	3,169	3,356	1,180
6300 Supplies and Materials	35,902	98,893	60,158	43,228	49,750
6400 Other Operating Costs	10,346	9,844	6,400	9,422	11,150
6600 Capital Outlay	-	-	-	-	-
Total Function 33	\$ 1,725,193	\$ 1,924,924	\$ 2,447,556	\$ 2,312,922	\$ 2,300,200
34 STUDENT TRANSPORTATION					
6100 Payroll Costs	\$ 6,855,895	\$ 6,803,554	\$ 6,954,671	\$ 7,516,382	\$ 8,533,422
6200 Professional and Contracted Services	271,982	265,075	307,507	256,050	240,644
6300 Supplies and Materials	563,477	424,214	510,996	813,305	759,584
6400 Other Operating Costs	246,220	244,386	254,288	333,450	314,150
6600 Capital Outlay	38,044	1,526,370	367,292	700,209	433,000
Total Function 34	\$ 7,975,618	\$ 9,263,598	\$ 8,394,754	\$ 9,619,397	\$ 10,280,800
35 FOOD SERVICES					
6100 Payroll Costs	\$ -	\$ 276,891	\$ 336,723	\$ 21,755	\$ 30,900
6600 Capital Outlay	-	10,425	-	17,578	-
Total Function 35	\$ -	\$ 287,316	\$ 336,723	\$ 39,333	\$ 30,900

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

	2018-2019 Actuals (Audited)	2019-2020 Actuals (Audited)	2020-2021 Actuals (Audited)	2021-2022 Actuals (Unaudited)	2022-2023 Adopted Budget
36 COCURRICULAR/EXTRACURRICULAR ACTIVITIES					
6100 Payroll Costs	\$ 2,275,399	\$ 2,301,887	\$ 2,830,906	\$ 2,695,554	\$ 2,868,105
6200 Professional and Contracted Services	293,777	253,931	281,226	340,782	366,710
6300 Supplies and Materials	471,102	550,681	379,187	434,923	437,630
6400 Other Operating Costs	968,621	758,802	624,466	549,882	728,055
6600 Capital Outlay	41,266	-	8,996	-	-
Total Function 36	\$ 4,050,165	\$ 3,865,300	\$ 4,124,782	\$ 4,021,142	\$ 4,400,500
41 GENERAL ADMINISTRATION					
6100 Payroll Costs	\$ 7,310,816	\$ 7,485,753	\$ 7,425,309	\$ 7,368,438	\$ 8,058,442
6200 Professional and Contracted Services	748,868	1,009,156	965,437	837,689	1,304,980
6300 Supplies and Materials	269,480	306,730	277,872	247,940	482,748
6400 Other Operating Costs	569,788	501,387	559,487	586,532	706,830
6600 Capital Outlay	12,157	7,100	-	30,442	27,000
Total Function 41	\$ 8,911,109	\$ 9,310,128	\$ 9,228,106	\$ 9,071,042	\$ 10,580,000
51 PLANT MAINTENANCE AND OPERATION					
6100 Payroll Costs	\$ 12,240,410	\$ 12,951,827	\$ 13,229,213	\$ 13,319,457	\$ 14,442,447
6200 Professional and Contracted Services	8,899,400	8,078,379	8,738,431	8,854,754	8,024,618
6300 Supplies and Materials	1,738,803	1,879,451	1,826,989	1,971,918	1,802,939
6400 Other Operating Costs	3,112,841	2,499,613	2,868,539	3,130,426	3,487,196
6600 Capital Outlay	902,280	5,106,641	959,773	508,223	63,000
Total Function 51	\$ 26,893,734	\$ 30,515,910	\$ 27,622,946	\$ 27,784,778	\$ 27,820,200
52 SECURITY AND MONITORING SERVICES					
6100 Payroll Costs	\$ 503,925	\$ 603,249	\$ 675,588	\$ 763,069	\$ 852,037
6200 Professional and Contracted Services	2,271,608	2,340,338	2,406,852	2,970,036	2,699,698
6300 Supplies and Materials	173,787	929,505	347,454	223,889	151,065
6400 Other Operating Costs	29,755	8,163	10,154	21,929	30,200
6600 Capital Outlay	20,000	98,761	257,979	-	-
Total Function 52	\$ 2,999,075	\$ 3,980,016	\$ 3,698,027	\$ 3,978,924	\$ 3,733,000
53 DATA PROCESSING SERVICES					
6100 Payroll Costs	\$ 2,361,992	\$ 2,535,559	\$ 2,759,360	\$ 2,825,006	\$ 3,277,863
6200 Professional and Contracted Services	782,507	1,231,871	1,237,066	1,354,887	1,133,038
6300 Supplies and Materials	536,348	702,765	517,702	452,283	744,045
6400 Other Operating Costs	16,037	6,078	4,857	12,431	13,254
6600 Capital Outlay	23,863	647,956	24,852	12,467	-
Total Function 53	\$ 3,720,747	\$ 5,124,229	\$ 4,543,837	\$ 4,657,075	\$ 5,168,200

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

	2018-2019 Actuals (Audited)	2019-2020 Actuals (Audited)	2020-2021 Actuals (Audited)	2021-2022 Actuals (Unaudited)	2022-2023 Adopted Budget
61 COMMUNITY SERVICES					
6100 Payroll Costs	\$ 893,135	\$ 1,368,486	\$ 1,283,894	\$ 1,413,096	\$ 1,515,310
6200 Professional and Contracted Services	4,656	11,647	10,040	1,531	6,450
6300 Supplies and Materials	22,265	32,493	24,024	219,016	55,430
6400 Other Operating Costs	36,054	31,932	41,180	18,017	69,110
6600 Capital Outlay	-	-	-	-	-
Total Function 61	\$ 956,110	\$ 1,444,557	\$ 1,359,139	\$ 1,651,660	\$ 1,646,300
71 DEBT SERVICE					
6500 Debt Service	\$ 357,669	\$ 355,357	\$ -	\$ 751,504	\$ 799,700
Total Function 71	\$ 357,669	\$ 355,357	\$ -	\$ 751,504	\$ 799,700
81 FACILITIES ACQUISITION AND CONSTRUCTION					
6100 Payroll Costs	\$ 196,434	\$ 203,678	\$ 220,138	\$ 230,140	\$ 222,451
6200 Professional and Contracted Services	45,074	157,642	177,405	376,533	11,200
6300 Supplies and Materials	405,983	46,058	9,131	60,036	12,000
6400 Other Operating Costs	11,384	2,616	4,085	3,598	12,249
6600 Capital Outlay	3,251,781	3,499,687	309,984	270,261	200,000
Total Function 81	\$ 3,910,656	\$ 3,909,681	\$ 720,744	\$ 940,568	\$ 457,900
99 INTERGOVERNMENTAL CHARGES					
6200 Professional and Contracted Services	\$ 978,581	\$ 1,043,300	\$ 1,051,148	\$ 1,046,378	\$ 1,115,000
Total Function 99	\$ 978,581	\$ 1,043,300	\$ 1,051,148	\$ 1,046,378	\$ 1,115,000
6000 TOTAL ALL EXPENDITURES	\$ 213,951,173	\$ 227,534,659	\$ 241,431,629	\$ 237,143,817	\$ 244,935,400
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 13,240,619	\$ 11,031,951	\$ 16,151,663	\$ 2,486,702	\$ (6,830,800)
OTHER RESOURCES/NON-OPERATING RESOURCES					
7911 Refunding Bonds Issued	\$ -	\$ -	\$ -	\$ -	\$ -
7912 Sale of Real or Personal Property	127,633	73,160	158,465	(125,583)	-
8911 Transfers Out	-	-	(20,000)	155,706	-
Total Other Resources	\$ 127,633	\$ 73,160	\$ 138,465	\$ 30,123	\$ -
Net Change in Fund Balance	\$ 13,368,252	\$ 11,105,111	\$ 16,290,128	\$ 2,516,825	\$ (6,830,800)
FUND BALANCES					
Beginning Fund Balance 09/01	\$ 153,104,931	\$ 166,473,183	\$ 177,578,294	\$ 193,868,422	\$ 196,385,247
Prior Period Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance 08/31	\$ 166,473,183	\$ 177,578,294	\$ 193,868,422	\$ 196,385,247	\$ 189,554,447

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

		2018-2019	2019-2020	2020-2021	2021-2022	2022-23
		Actuals (Audited)	Actuals (Audited)	Actuals (Audited)	Actuals (Unaudited)	Adopted Budget
REVENUES						
LOCAL AND INTERMEDIATE						
5711	Taxes Current Year Levy	\$ 27,758,328	\$ 30,828,683	\$ 32,110,533	\$ 32,218,437	\$ 33,848,395
5712	Taxes, Prior Year	274,796	(43,756)	316,336	(45,748)	200,000
5719	Taxes, Prior Year	218,476	212,705	280,652	264,034	200,000
5742	Earnings From Investments	585,729	415,631	36,309	153,851	28,305
5700	Local and Intermediate Totals	\$ 28,837,329	\$ 31,413,264	\$ 32,743,830	\$ 32,590,573	\$ 34,276,700
STATE						
5829	State Program Revenues	\$ 292,858	\$ 283,255	\$ 193,989	\$ 261,413	\$ -
5800	State Totals	\$ 292,858	\$ 283,255	\$ 193,989	\$ 261,413	\$ -
FEDERAL						
5919	Federal Revenues Distributed	\$ -	\$ -	\$ -	\$ -	\$ -
5900	Federal Totals	\$ -	\$ -	\$ -	\$ -	\$ -
5000	TOTAL ALL REVENUES	\$ 29,130,187	\$ 31,696,519	\$ 32,937,819	\$ 32,851,986	\$ 34,276,700
EXPENDITURES						
71 DEBT SERVICE						
6500	Debt Service	29,883,787	32,395,573	36,804,562	36,350,138	34,276,700
	Total Function 71	\$ 29,883,787	\$ 32,395,573	\$ 36,804,562	\$ 36,350,138	\$ 34,276,700
6000	TOTAL ALL EXPENDITURES	\$ 29,883,787	\$ 32,395,573	\$ 36,804,562	\$ 36,350,138	\$ 34,276,700
	Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (753,600)	\$ (699,054)	\$ (3,866,743)	\$ (3,498,151)	\$ -
OTHER RESOURCES/NON-OPERATING RESOURCES						
7911	Refunding Bonds Issued	\$ -	\$ 14,850,000	\$ -	\$ -	\$ -
7916	Premium or Discount on Issuance of Bonds	-	1,546,886	-	-	-
8949	Payment to Bond Refunding Escrow Agent	-	(16,252,175)	-	-	-
	Total Other Resources	\$ -	\$ 144,711	\$ -	\$ -	\$ -
	Net Change in Fund Balance	\$ (753,600)	\$ (554,344)	\$ (3,866,743)	\$ (3,498,151)	\$ -
FUND BALANCES						
	Beginning Fund Balance 09/01	\$ 11,195,980	\$ 10,442,380	\$ 9,888,037	\$ 6,021,294	\$ 2,523,143
	Prior Period Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
	Ending Fund Balance 08/31	\$ 10,442,380	\$ 9,888,037	\$ 6,021,294	\$ 2,523,143	\$ 2,523,143

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

		2018-2019 Actuals (Audited)	2019-2020 Actuals (Audited)	2020-2021 Actuals (Audited)	2021-2022 Actuals (Unaudited)	2022-23 Adopted Budget
REVENUES						
LOCAL AND INTERMEDIATE						
5742	Earnings From Investments	\$ 91,920	\$ 63,143	\$ 3,043	\$ 46,545	\$ 3,500
5743	Rent	-	-	-	-	-
5744	Gifts & Bequests	1	-	-	-	-
5745	Insurance Recovery	-	-	-	-	-
5749	Other Revenue From Local Sources	54	16,336	5,699	6,704	-
5751	Food Service Activity	1,137,940	649,531	221,869	617,593	746,000
5700	Local and Intermediate Totals	\$ 1,229,915	\$ 729,010	\$ 230,611	\$ 670,842	\$ 749,500
STATE						
5829	State Program Revenues	\$ 74,483	\$ 73,498	\$ 71,865	\$ 25,401	\$ 25,000
5800	State Totals	\$ 74,483	\$ 73,498	\$ 71,865	\$ 25,401	\$ 25,000
FEDERAL						
5921	School Breakfast Program	\$ 5,153,264	\$ 4,067,074	\$ 3,505,985	\$ 4,320,175	\$ 4,189,484
5922	School Lunch Program	9,788,641	7,695,809	6,634,387	11,427,587	10,919,416
5923	USDA Donated Commodities	1,013,479	1,152,337	1,069,347	1,945,121	1,500,000
5927	Federal Revenues Distributed by TEA	-	128,246	386,722	842,213	-
5939	Fed Revenue Other Than TEA	-	23,186	1,685,760	48,238	-
5900	Federal Totals	\$ 15,955,384	\$ 13,066,653	\$ 13,282,201	\$ 18,583,334	\$ 16,608,900
5000	TOTAL ALL REVENUES	\$ 17,259,782	\$ 13,869,161	\$ 13,584,677	\$ 19,279,577	\$ 17,383,400
EXPENDITURES						
35 FOOD SERVICES						
6100	Payroll Costs	\$ 6,808,561	\$ 6,698,323	\$ 6,752,227	\$ 7,021,848	\$ 7,043,993
6200	Professional and Contracted Services	144,523	87,344	114,348	165,372	106,800
6300	Supplies and Materials	8,649,558	7,274,062	6,318,370	8,722,988	9,734,000
6400	Other Operating Costs	25,428	12,475	19,648	47,952	35,007
6600	Capital Outlay	23,552	122,044	-	233,831	210,000
Total Function 35		\$ 15,651,622	\$ 14,194,248	\$ 13,204,593	\$ 16,191,992	\$ 17,129,800

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

	2018-2019 Actuals (Audited)	2019-2020 Actuals (Audited)	2020-2021 Actuals (Audited)	2021-2022 Actuals (Unaudited)	2022-23 Adopted Budget
51 PLANT MAINTENANCE AND OPERATION					
6100 Payroll Costs	\$ 203,662	\$ 204,540	\$ 174,089	\$ 187,552	\$ 207,510
6200 Professional and Contracted Services	41,021	45,189	39,416	37,331	38,890
6300 Supplies and Materials	-	-	-	-	-
6400 Other Operating Costs	-	-	-	-	-
6600 Capital Outlay	-	-	-	-	-
Total Function 51	\$ 244,683	\$ 249,728	\$ 213,504	\$ 224,883	\$ 246,400
71 Debt Service					
6500 Debt Service	\$ -	\$ -	\$ -	\$ 6,876	\$ 7,200
Total Function 71	\$ -	\$ -	\$ -	\$ 6,876	\$ 7,200
81 Facilities Acquisition & Construction					
6100 Payroll Costs	\$ -	\$ -	\$ -	\$ -	\$ -
6200 Professional and Contracted Services	485	-	-	-	-
6300 Supplies and Materials	-	-	-	-	-
6400 Other Operating Costs	-	-	-	-	-
6600 Capital Outlay	698	-	-	-	-
Total Function 81	\$ 1,183	\$ -	\$ -	\$ -	\$ -
6000 TOTAL ALL EXPENDITURES	\$ 15,897,488	\$ 14,443,976	\$ 13,418,097	\$ 16,416,875	\$ 17,383,400
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 1,362,294	\$ (574,815)	\$ 166,580	\$ 2,862,703	\$ -
OTHER RESOURCES/NON-OPERATING RESOURCES					
7912 Sale of Real or Personal Property	\$ 24,022	\$ 12,678	\$ 7,686	\$ 21,382	\$ -
7915 Operating Transfers In	-	-	-	45,706	-
Total Other Resources	\$ 24,022	\$ 12,678	\$ 7,686	\$ 67,088	\$ -
Net Change in Fund Balance	\$ 1,386,316	\$ (562,137)	\$ 174,266	\$ 2,929,790	\$ -
FUND BALANCES					
Beginning Fund Balance 09/01	\$ 2,782,063	\$ 4,168,379	\$ 3,606,242	\$ 3,780,508	\$ 6,710,298
Prior Period Adjustment					
Ending Fund Balance 08/31	<u>\$ 4,168,379</u>	<u>\$ 3,606,242</u>	<u>\$ 3,780,508</u>	<u>\$ 6,710,298</u>	<u>\$ 6,710,298</u>

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

Notes:

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 2020-21), the following Fund balance classifications were made:

	<u>General Operating</u>	<u>Debt Service</u>	<u>Food Service</u>
Nonspendable			
Inventories	\$ 499,816	\$ -	\$ -
Prepaid Items	-		
Restricted			
Grants	-	-	3,780,508
Debt Service	-	6,021,294	-
Assigned	93,079,379	-	-
Unassigned	100,289,227	-	-
Total Fund Balance	<u>\$ 193,868,422</u>	<u>\$ 6,021,294</u>	<u>\$ 3,780,508</u>

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

	Budgeted 2022-2023	Projected 2023-2024	Projected 2024-2025	Projected 2025-2026
General Fund				
Property Tax Collections	\$ 116,267,685	\$ 120,441,600	\$ 123,828,700	\$ 127,320,400
Other Local	1,878,415	1,972,400	2,071,100	2,174,700
State	110,267,600	101,658,600	99,152,800	96,549,900
Federal	9,690,900	10,369,300	8,099,200	8,666,200
Total Revenue	\$ 238,104,600	\$ 234,441,900	\$ 233,151,800	\$ 234,711,200
Payroll	\$ 210,604,187	\$ 211,657,200	\$ 212,715,500	\$ 213,779,100
Purchased Services	16,436,051	16,271,700	16,109,000	15,947,900
Supplies and Materials	9,305,377	9,398,400	9,492,400	9,587,300
Other Operating Costs	7,067,085	7,173,100	7,280,700	7,389,900
Debt Service	799,700	799,700	799,700	799,700
Capital Outlay	723,000	715,800	708,600	701,500
Total Expenditures	\$ 244,935,400	\$ 246,015,900	\$ 247,105,900	\$ 248,205,400
Other Uses				
Change to Fund Balance	\$ (6,830,800)	\$ (11,574,000)	\$ (13,954,100)	\$ (13,494,200)
Fund Balance - Beginning	\$ 196,355,123	\$ 189,524,323	\$ 177,950,323	\$ 163,996,223
Fund Balance - Ending	\$ 189,524,323	\$ 177,950,323	\$ 163,996,223	\$ 150,502,023
Debt Service				
Property Tax Collections	\$ 34,248,395	\$ 34,255,295	\$ 34,239,595	\$ 34,246,595
Other Local	28,305	28,305	28,305	28,305
State	-	-	-	-
Total Revenue	\$ 34,276,700	\$ 34,283,600	\$ 34,267,900	\$ 34,274,900
Debt Service	\$ 34,276,700	\$ 34,283,600	\$ 34,267,900	\$ 34,274,900
Total Expenditures	\$ 34,276,700	\$ 34,283,600	\$ 34,267,900	\$ 34,274,900
Other Uses				
Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Fund Balance - Beginning	\$ 2,523,143	\$ 2,523,143	\$ 2,523,143	\$ 2,523,143
Fund Balance - Ending	\$ 2,523,143	\$ 2,523,143	\$ 2,523,143	\$ 2,523,143

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

	Budgeted 2022-2023	Projected 2023-2024	Projected 2024-2025	Projected 2025-2026
Food Service				
Local	\$ 749,500	\$ 751,800	\$ 754,100	\$ 756,400
State	25,000	24,500	24,100	23,700
Federal	16,608,900	16,658,800	16,708,800	16,759,000
Total Revenue	\$ 17,383,400	\$ 17,435,100	\$ 17,487,000	\$ 17,539,100
Payroll	\$ 7,251,503	\$ 7,270,400	\$ 7,289,300	\$ 7,308,300
Purchased Services	145,690	148,600	151,600	154,600
Supplies and Materials	9,734,000	9,763,200	9,792,500	9,821,900
Other Operating Costs	35,007	35,700	36,400	37,100
Debt Service	7,200	7,200	7,200	7,200
Capital Outlay	210,000	210,000	210,000	210,000
	\$ 17,383,400	\$ 17,435,100	\$ 17,487,000	\$ 17,539,100
Other Uses				
Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Fund Balance - Beginning	\$ 6,643,210	\$ 6,643,210	\$ 6,643,210	\$ 6,643,210
Fund Balance - Ending	\$ 6,643,210	\$ 6,643,210	\$ 6,643,210	\$ 6,643,210

Assumptions:

- *Property value growth average of 4.0%
- *Taxable Values with 97.0% collection rate
- *Average Daily Attendance increase of 0.3%
- *Bond repayment schedule as of August 31, 2022
- *Minor adjustments to I&S rate to cover debt payments
- *The COVID-19 Pandemic has had a negative impact in District enrollment and attendance. The Texas Education Agency has made adjustments in 2020-21 and 2021-22 to help districts transition without experiencing immediate detrimental decreases; the District will continue to monitor spending, making reductions as necessary.
- *The District has sufficient unassigned Fund Balance to cover projected deficits, however, contingency plans are being developed to prevent over depletion.
- *HB3 provisions allow a district to reclaim enrichment pennies through a voter approved Tax Ratification Election (TRE)

School Finance

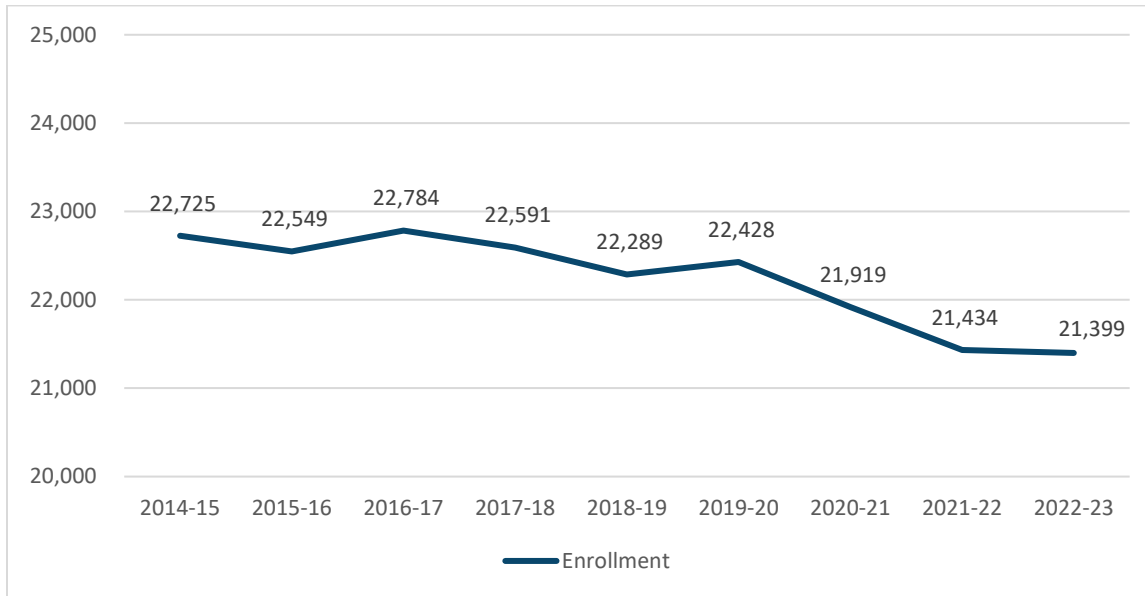
Funding for Texas's public schools comes from three main sources: local school district property taxes, state funds, and federal funds. The majority of funding comes from local property taxes, which are collected by school districts, and state funding. State funding accounts for approximately 50% of the District's total budget, while revenue from local property taxes account for roughly 45%.

Funding Factors

Student Enrollment and the Foundation School Program are major factors that go into calculating the revenue for a school district budget.

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.

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. Students learning in career and technology courses, classified as gifted and talented, educationally disadvantaged, or receiving services for special education, bilingual or limited english proficiency, dyslexia or pregnancy related all receive an additional weight. The varying weights add to the revenue a district can anticipate, but comes with the mandated requirement to responsibly spend in support of these areas.

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 Foundation School Program (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

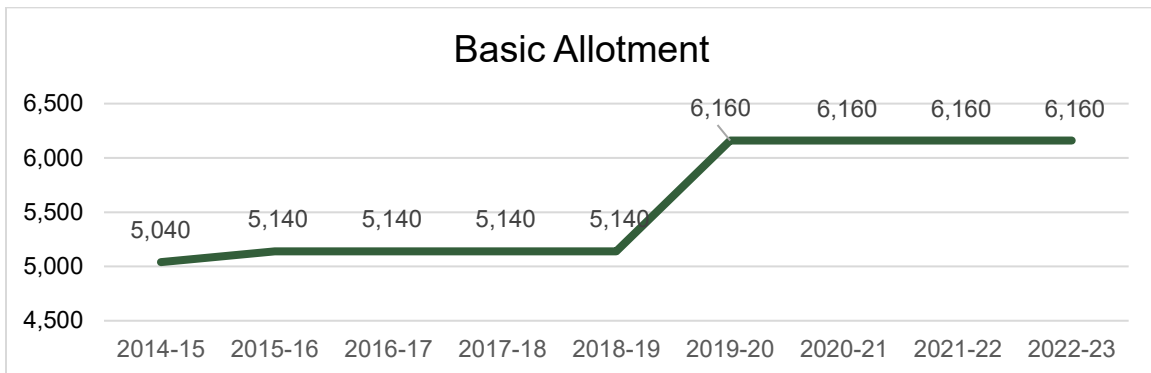
The operations funding component of the FSP provides school districts with assistance in financing their maintenance and operations based on the following three components:

- 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 Compressed Tax Rate (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 \$0.9134. Consequently, a district with a CTR of \$0.9134 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 \$0.9134, 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.

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.

Local Fund Assessment

2022 Tax Rate Calculation

Tax Code Section 26.04(c) requires school districts to calculate the **no-new-revenue tax rate** and **voter-approval tax rate** for the tax year, which are expressed in dollars per \$100 of taxable value calculated.



No-New-Revenue Tax Rate

The no-new-revenue (NNR) tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes if applied to the same properties that are taxed in both years (no new taxes). When appraisal values increase, the NNR tax rate should decrease.

The no-new-revenue tax rate calculation is detailed on the following pages.

No-New-Revenue Tax Rate Calculation

1. 2021 total taxable value	\$10,477,586,327
2. 2021 tax ceilings	<u>551,104,540</u>
3. Preliminary 2021 adjusted taxable value (Subtract line 2 from Line 1)	\$9,926,481,787
4. 2021 total adopted tax rate	\$1.4651/\$100
5. 2021 taxable value lost because court appeals of ARB decisions reduced 2021 appraised value:	
A. Original 2021 ARB Values:	\$331,527,357
B. 2021 values resulting from final court decisions:	<u>\$229,313,806</u>
C. 2021 value loss (Subtract B from A)	\$102,213,551
6. 2021 taxable value subject to an appeal under Chapter 42, as of July 25:	
A. 2021 ARB certified value:	\$1,803,870,444
B. 2021 disputed value:	<u>\$486,867,129</u>
C. 2021 undisputed value (Subtract B from A)	\$1,317,003,315
7. 2021 Chapter 42 related adjusted values (Add Line 5 and 6)	\$1,419,216,866
8. 2021 taxable value, adjusted for actual and potential court-ordered adjustments (Add Line 3 and Line 7)	\$11,345,698,653
9. 2021 taxable value of property in territory the school deannexed after Jan. 1, 2021.	\$0
10. 2021 taxable value lost because property first qualified for an exemption in 2022.	
A. Absolute exemptions (Use 2021 market value)	\$290,248
B. Partial exemptions.	<u>\$16,931,250</u>
C. Value loss (Add A and B)	\$17,221,498
11. 2021 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2022.	
A. 2021 market value:	\$0
B. 2022 productivity or special appraised value:	<u>\$0</u>
C. Value loss (Subtract B from A)	\$0
12. Total adjustments for lost value (Add Lines 9, 10C and 11C)	\$17,221,498
13. Adjusted 2021 taxable value (Subtract Line 12 from Line 8)	\$11,328,477,155
14. Adjusted 2021 total levy (Multiply Line 4 by Line 13 and divide by \$100)	\$165,973,518
15. Taxes refunded for years preceding tax year 2021.	2,245,378.00
16. Adjusted 2021 levy with refunds (Add Lines 14 and 15)	\$168,218,896
17. Total 2022 taxable value on the 2022 certified appraisal roll today.	
A. Certified values only:	\$11,951,426,895
B. Pollution control and energy storage exemption:	<u>\$0</u>
C. Total 2022 value (Subtract B from A)	\$11,951,426,895
18. Total value of properties under protest or not included on certified appraisal roll.	
A. 2022 taxable value of properties under protest	\$0
B. 2022 value of properties not under protest or included on certified appraisal roll.	<u>\$0</u>
C. Total value under protest or not certified: (Add A and B)	\$0

19. 2022 tax ceilings	\$609,175,537
20. 2022 total taxable value (Add Lines 17C and 18C. Subtract Line 19)	\$11,342,251,358
21. Total 2022 taxable value of properties in territory annexed . after Jan. 1, 2021	\$13,942,196
22. Total 2022 taxable value of new improvements and new personal property located in new improvements.	\$117,484,851
23. Total adjustments to the 2022 taxable value (Add Lines 21 and 22)	\$131,427,047
24. Adjusted 2022 taxable value (Subtract Line 23 from Line 20)	\$11,210,824,311
25. 2022 NNR tax rate (Divide Line 16 by Line 24 and multiply by \$100)	\$1.50050/\$100

Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. Most school districts calculate a voter-approval tax rate that is split into three separate rates.

1. Maximum Compressed Tax Rate (MCR): A district's maximum compressed tax rate is defined as the tax rate for the current tax year per \$100 of valuation of taxable property at which the district must levy a maintenance and operations tax to receive the full amount of the tier one allotment.

2. Enrichment Tax Rate: A district's enrichment tax rate is defined as any tax effort in excess of the district's MCR and less than \$0.17. The enrichment tax rate is divided into golden pennies and copper pennies. School districts can claim up to 8 golden pennies, not subject to compression, and 9 copper pennies which are subject to compression with any increases in the guaranteed yield.

3. Debt Rate: The debt tax rate includes the debt service necessary to pay the school district's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue. This rate is also referred to as the Interest & Sinking (I&S) Tax Rate.

The MCR and Enrichment Tax Rate added together make up the school district's maintenance and operations (M&O) tax rate. Districts cannot increase the district's M&O tax rate to create a surplus in M&O tax revenue for the purpose of paying the district's debt service.

If a school district adopted a tax rate that exceeded its voter-approval tax rate without holding an election to respond to a disaster in the prior year, as allowed by Tax Code Section 26.042(e), the school district may not consider the amount by which it exceeded its voter approval tax rate (disaster pennies) in the calculation this year. This adjustment will be made in Section 4 of this worksheet.

A district must complete an efficiency audit before seeking voter approval to adopt a M&O tax rate higher than the calculated M&O tax rate, hold an open meeting to discuss the results of the audit, and post the results of the audit on the district's website 30 days

prior to the election. Additionally, a school district located in an area declared a disaster by the governor may adopt a M&O tax rate higher than the calculated M&O tax rate during the two-year period following the date of the declaration without conducting an efficiency audit.

Districts should review information from TEA when calculating their voter-approval rate.

26. 2022 maximum compressed tax rate (MCR).	\$0.83100/\$100
27. 2022 enrichment tax rate (Enter the greater of A and B)	
A. Enter the district's 2021 enrichment tax rate, minus any required reduction under Education Code Section 48.202(f)	\$0.21170
B. \$0.05 per \$100 of taxable value.	\$0.05000
28. 2022 maintenance and operations (M&O) tax rate (TR) (Add Lines 26 and 27)	\$1.04270/\$100
29. Total 2022 debt to be paid with property tax revenue. Debt means the interest and principal that will be paid on debts that:	
(1) Are paid by property taxes;	
(2) Are secured by property taxes;	
(3) Are scheduled for payment over a period longer than one year; and	
(4) Are not classified in the school district's budget as M&O expenses.	
A. Debt includes contractual payments to other school districts that have incurred debt on behalf of this school district, if those debts meet the four conditions above	\$34,269,675
B. Subtract unencumbered fund amount used to reduce total debt	\$0
C. Subtract state aid received for paying principal and interest on debt	\$0
D. Adjust debt (Subtract B and C from A)	\$34,269,675
30. Certified 2021 excess debt collections.	\$0
31. Adjusted 2022 debt (Subtract line 30 from line 29D)	\$34,269,675
32. 2022 anticipated collection rate.	97.00%
If the anticipated rate in A is lower than actual rates in B, C and D, enter the lowest rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%	
A. Enter the 2022 anticipated collection rate certified by the collector:	97.00%
B. Enter the 2021 actual collection rate	97.00%
C. Enter the 2020 actual collection rate	97.03%
D. Enter the 2019 actual collection rate	97.12%
33. 2022 debt adjusted for collections (Divide line 31 by line 32)	\$35,329,561
34. 2022 total taxable value.	\$11,342,251,358
35. 2022 debt tax rate (Divide line 33 by line 34 and multiply by \$100)	\$0.31148/\$100
36. 2022 voter-approval tax rate (Adds lines 28 and 35)	\$1.35418/\$100

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)
2022	1.04270	0.31148	1.35418	\$150,516,080		
2021	1.12510	0.34000	1.46510	145,999,889	\$140,061,030	(\$5,938,859)*
2020	1.12810	0.33000	1.45810	144,975,450	144,956,920	(18,530)
2019	1.14170	0.33000	1.47170	144,133,450	138,588,368	(5,545,082)**
2018	1.24330	0.33000	1.57330	136,865,950	135,043,184	(1,822,766)
2017	1.24330	0.32000	1.56330	125,942,626	127,052,390	1,109,764
2016	1.24330	0.32000	1.56330	124,026,250	126,197,921	2,171,671
2015	1.24330	0.27010	1.51340	111,656,518	122,826,293	11,169,775

*The District refunded \$4.5 Million in overpayments resulting from contested property values; in addition, the estimated collection rate dropped from 97.5% to 97.0%, and property valued dropped 1.1% from the time of certification to Supplement 11 received August 2022.

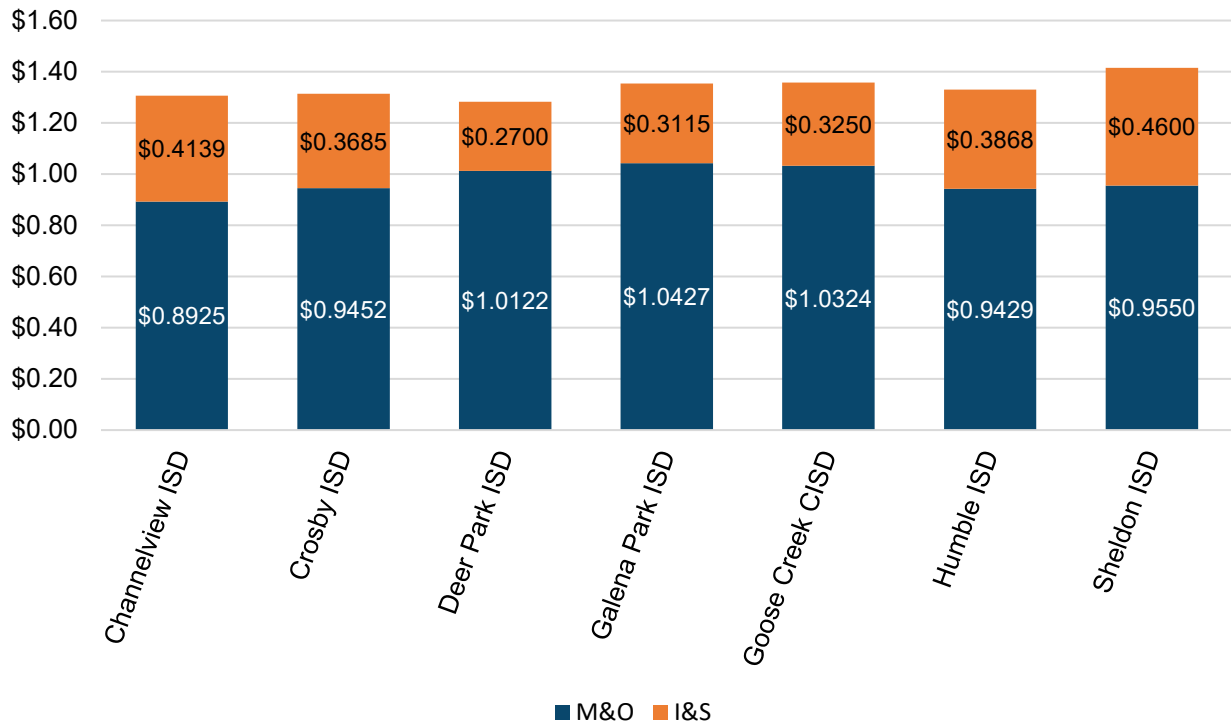
**The District did not receive approximately \$4 million in expected tax collections due to large value appeal accounts. Additionally, property values dropped 2.9% from the time of certification to Supplement 11 received August 2020.

Tax Rate Comparison to Local Districts

Channelview ISD	M&O	I&S	Total	Goose Creek CISD	M&O	I&S	Total
2022	0.8925	0.4139	1.3064	2022	1.0324	0.3250	1.3574
2021	0.9452	0.3685	1.3137	2021	1.0436	0.3250	1.3686
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
Crosby ISD	M&O	I&S	Total	Humble ISD	M&O	I&S	Total
2022	0.9429	0.4800	1.4229	2022	0.9429	0.3868	1.3297
2021	0.9603	0.4800	1.4403	2021	0.9889	0.3500	1.3389
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
Deer Park ISD	M&O	I&S	Total	Sheldon ISD	M&O	I&S	Total
2022	1.0122	0.2700	1.2822	2022	0.9550	0.4600	1.4150
2021	1.0796	0.2700	1.3496	2021	0.9950	0.4600	1.4550
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

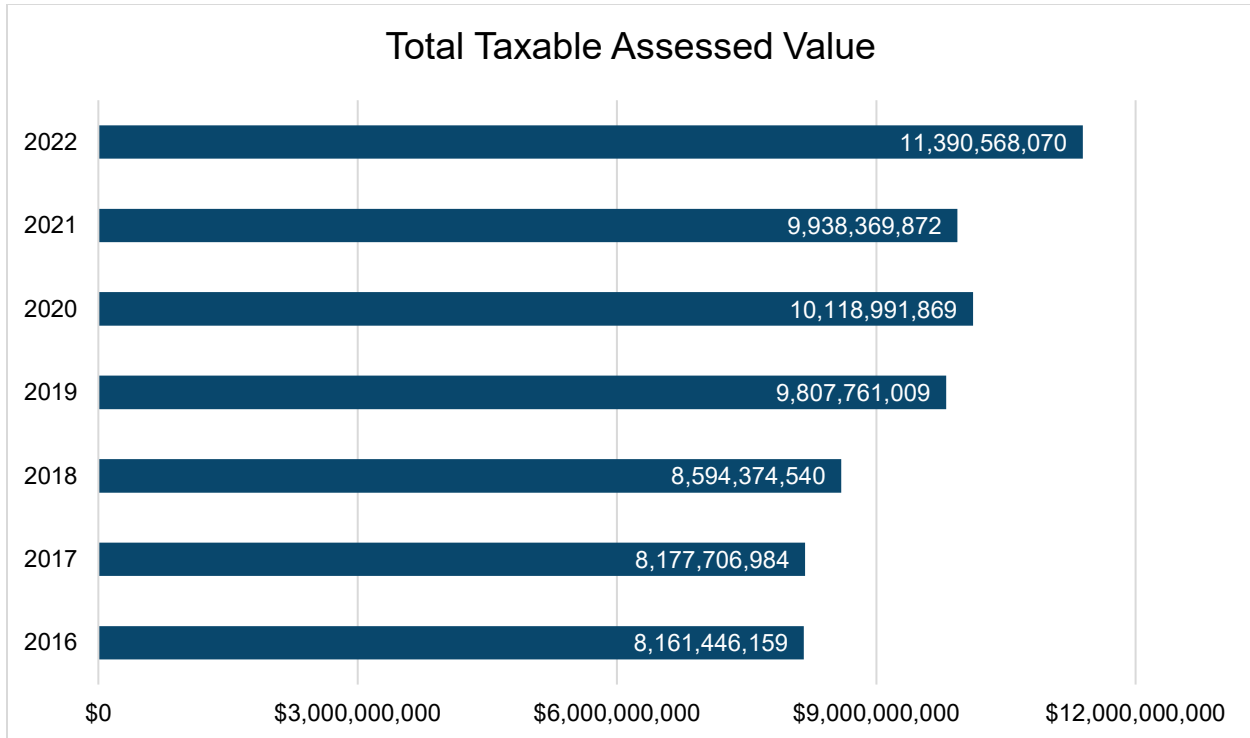
www.hctax.net

2021 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 2022 decreased from \$10.12 billion to \$9.94 billion, a decrease of (1.78%). 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 May 2022, the Homestead exemption was increased from \$25,000 to \$40,000; in addition to the 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	\$40,000
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** - \$40,000 & 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 2022-23 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)
2022	1.04270	\$116,267,685		
2021	1.12510	112,445,835	\$107,624,308	(\$4,821,527) *
2020	1.12810	111,915,950	112,249,399	333,449
2019	1.14170	114,060,950	107,590,735	(6,470,215) **
2018	1.24330	107,302,950	106,791,584	(511,366)
2017	1.24330	100,095,726	101,115,176	1,019,450

* The District refunded \$4.5 Million in overpayments resulting from contested property values; in addition, the estimated collection rate dropped from 97.5% to 97.0%, and property valued dropped 1.1% from the time of certification to Supplement 11 received August 2022.

**The District did not receive approximately \$4 Million in expected tax collections due to large value appeal accounts. Additionally, property values dropped 2.9% from the time of certification to Supplement 11 received August 2020.

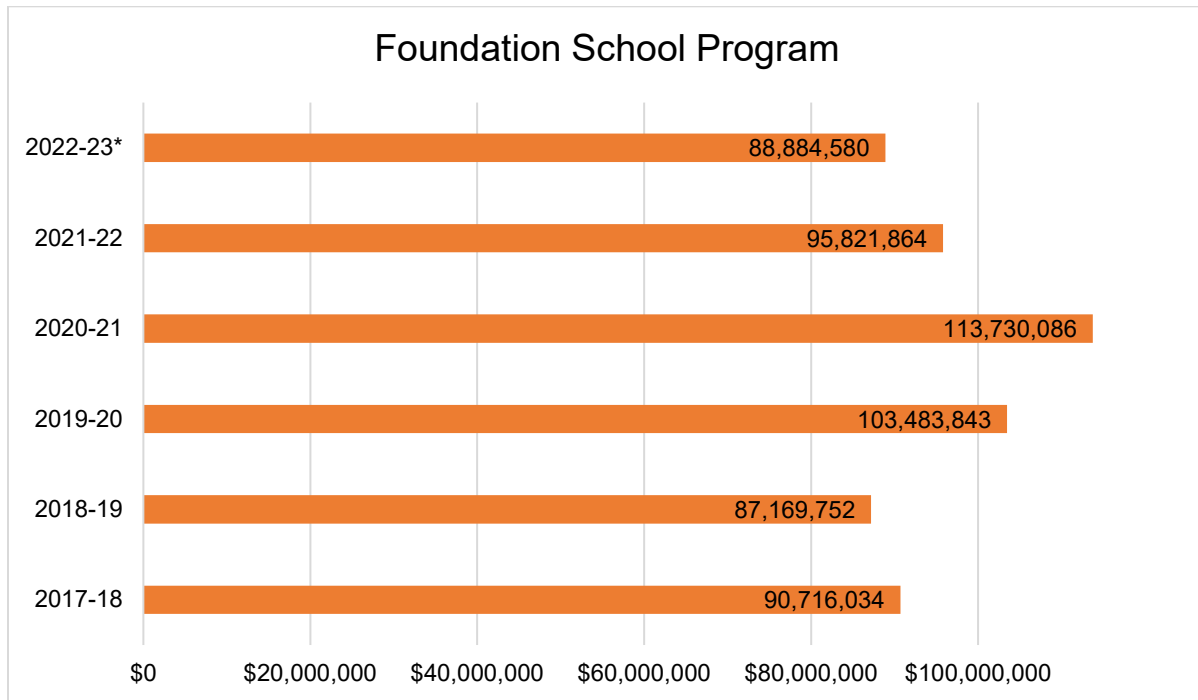
Investment Interest

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 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

The district received additional payment of \$2,918,490 FSP in Fiscal Year 2020-21 and \$2,237,433 FSP in Fiscal Year 2021-22 as a result of a Property Value Audit study for tax year 2016 and 2017.

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 90.24% of total general fund revenue for 2021-22. 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 9.25% 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 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 to 7.75% in 2021-22.

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 2022-23 is \$3,030,200 or 1.27% of the total revenue budget.

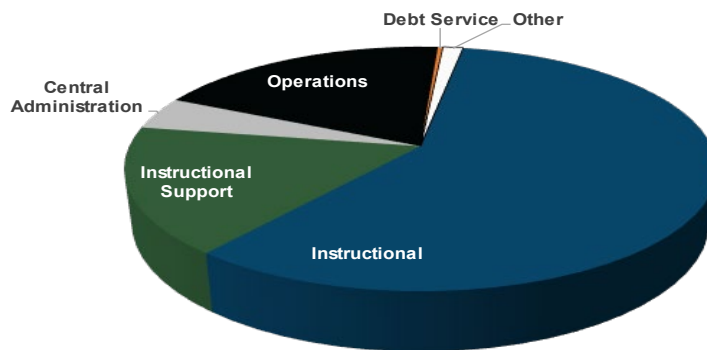
Expenditures

The adopted General Fund expenditure budget for 2022-23 is \$244,935,400. This is a decrease of \$2,675,689 or (1.08%) compared to the adopted 2021-22 expenditure budget. The 2022-23 budget does include compensation plan adjustments, planned replacement of fleet vehicles, and technology infrastructure investments. The School Board approved a 3.0% across the board pay raise for all employees and shifted teacher starting salary to \$62,750, estimated to increase payroll costs approximately \$7.2 million. Additional technology investments are \$750,000, while fleet replacement efforts add \$433,000 to the General Fund; the amounts allocated for these items is less than the prior year. Estimated compensation costs in the amount of \$7.5 million have been shifted to federal funds available through the Elementary and Secondary School Emergency Relief fund. 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 shows significant value growth resulting in additional tax rate compression, implemented in the 86th Legislature. Overall funding calculations are dependent on student attendance, and increases seen in tax collections will be offset by decreases in State Aid.

The graphs that follow depict the 2022-23 expenditure budget for the General Fund.

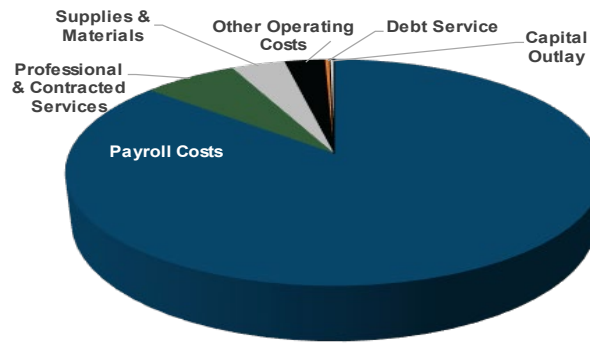
General Fund Budget by Major Area

Instructional	\$142,240,600	58.1%
Instructional Support	41,062,800	16.8%
Central Administration	10,580,000	4.3%
Operations	47,033,100	19.2%
Debt Service	799,700	0.3%
Other	3,219,200	1.3%
	\$244,935,400	



General Fund Budget by Major Object

■ Payroll Costs	\$210,604,187	86.0%
■ Professional & Contracted Services	16,436,051	6.7%
■ Supplies & Materials	9,305,377	3.8%
■ Other Operating Costs	7,067,085	2.9%
■ Debt Service	799,700	0.3%
■ Capital Outlay	723,000	0.3%
	\$244,935,400	



General Fund Expenditures by Major Object

	Adopted Budget 2021-22	Adopted Budget 2022-23	Percentage Increase (Decrease)
Payroll Costs	\$210,486,718	\$210,604,187	0.06%
Professional & Contracted Services	17,339,579	16,436,051	(5.21%)
Supplies & Materials	10,759,312	9,305,377	(13.51%)
Other Operating Costs	6,542,480	7,067,085	8.02%
Debt Service	0	799,700	100.00%
Capital Outlay	2,483,000	723,000	(70.88%)
	\$247,611,089	\$244,935,400	(1.08%)

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 2022-23 budgets allocated to each campus.

Campus	Payroll Costs	Prof. & Contracted Services	Supplies & Materials	Other Operating Costs	Debt Service	2022-23 Total
Galena Park High	\$30,781	12,300	142,336	91,938	10,500	\$287,855
North Shore Senior - 9th Grade Ctr	7,185	3,800	103,676	49,175	6,000	169,836
North Shore Senior - 10th Grade Ctr	32,890	8,500	66,165	43,125	5,292	155,972
North Shore Senior High	43,215	20,000	150,902	125,610	11,000	350,727
Accelerated Center for Education	5,945	1,720	15,433	16,094	4,000	43,192
Early College High School	9,175	1,500	28,500	31,325	-	70,500
Cimarron Elementary	2,520	1,800	33,900	23,266	4,000	65,486
Cloverleaf Elementary	5,012	3,044	34,477	28,670	1,200	72,403
Havard Elementary	5,209	2,380	36,493	14,745	-	58,827
Galena Park Elementary	6,220	3,578	20,149	22,837	2,634	55,418
Green Valley Elementary	9,961	3,935	25,424	13,415	4,700	57,435
Jacinto City Elementary	2,362	2,500	35,244	20,745	2,892	63,743
MacArthur Elementary	2,450	1,900	32,175	20,699	2,433	59,657
North Shore Elementary	4,785	3,700	52,345	30,203	4,000	95,033
Pyburn Elementary	2,600	680	26,551	13,550	2,432	45,813
Woodland Acres Elementary	5,653	3,600	13,996	16,924	2,830	43,003
Tice Elementary	4,035	2,200	38,262	19,125	-	63,622
Purple Sage Elementary	1,392	889	24,701	16,026	4,042	47,050
Normandy Crossing Elementary	2,225	6,270	26,181	19,220	3,000	56,896
Williamson Elementary	2,040	1,650	36,047	19,300	-	59,037
Sam Houston Elementary	1,842	889	39,719	22,900	2,832	68,182
Galena Park Middle	14,023	2,900	43,761	36,984	3,940	101,608
North Shore Middle	18,559	1,150	68,078	48,775	-	136,562
Woodland Acres Middle	8,550	2,860	26,046	20,126	2,380	59,962
Cunningham Middle	9,174	6,374	40,575	41,074	3,200	100,397
Cobb 6th Grade	13,235	4,000	48,520	28,880	6,230	100,865



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 2022-23 budgets allocated to each department unit.

Department	Payroll Costs	Prof. & Contracted Services	Supplies & Materials	Other Operating Costs	Debt Service	Capital Outlay	2022-23 Total
Curriculum & Instruction	\$109,641	157,260	325,972	216,766	17,000	-	\$826,639
Gifted & Talented	13,028	5,700	140,224	49,031	-	-	207,983
Technology	10,946	1,179,410	1,122,507	15,779	4,000	-	2,332,642
Bilingual/ESL	76,540	41,849	329,954	21,960	-	-	470,303
Fine Arts & Academic Enrichment	16,547	157,482	359,081	167,570	8,824	-	709,504
Education & Academic Support	40,269	34,200	125,575	30,200	-	-	230,244
Compensatory Education	233,803	18,412	117,013	6,180	-	-	375,408
Student Support	10,286	5,522	15,026	21,268	-	-	52,102
Special Programs	1,281	5,000	145,483	15,374	4,500	-	171,638
Grants & Initiatives	17	1,215	3,328	4,600	-	-	9,160
Student Assessment & Accountability	1,100	12,750	58,550	8,542	900	-	81,842
Special Education	32,276	52,868	232,888	34,473	6,000	-	358,505
Career & Technology	28,286	19,600	270,030	91,075	19,000	-	427,991
Staff Development	8,500	4,000	21,920	32,644	2,331	-	69,395
Athletics	20,244	125,200	353,000	196,800	14,000	-	709,244
Educational Support	39,900	4,100	61,800	87,610	8,500	-	201,910
School Improvement	61,735	156,852	119,700	65,229	3,000	-	406,516
Student Applications	12,960	4,700	31,509	6,300	-	-	55,469
Education Foundation	17	-	1,033	1,200	-	-	2,250
Edu. Support & School Admin. (Deputy Super)	7,089	671,421	302,726	187,305	6,000	-	1,174,541
Edu. Support & School Admin. (Assistant Super)	15,250	9,350	29,300	34,330	-	-	88,230
Night School	89,450	-	4,500	1,050	-	-	95,000
Communications	13,185	115,000	39,118	192,500	5,000	-	364,803
Governmental Relations	860	1,090	2,410	53,640	-	-	58,000
Operations	55,510	140,788	25,900	18,850	4,000	-	245,048
Maintenance	500	837,340	793,546	13,500	5,000	3,000	1,652,886
Energy Management	-	5,481,210	21,500	16,141	-	-	5,518,851
Custodial Services	-	211,990	538,780	9,140	1,000	-	760,910
Transportation	10,460	291,644	952,500	46,150	6,000	433,000	1,739,754

Department	Payroll Costs	Prof. & Contracted Services	Supplies & Materials	Other Operating Costs	Debt Service	Capital Outlay	2022-23 Total
Grounds Maintenance	\$845	173,500	201,226	5,750	-	60,000	\$441,321
Student Nutrition/Food Service	-	332,660	-	67,340	-	-	400,000
Security	3,810	2,851,352	140,800	24,100	-	-	3,020,062
Lifecycle Projects	-	-	500,000	-	-	-	500,000
Security & Emergency Management	10	7,825	9,945	6,000	-	-	23,780
Human Resources - Admin	6,746	61,000	31,420	58,714	6,500	7,000	171,380
Risk Management	1,713	34,140	26,036	3,628,245	-	-	3,690,134
Elementary Human Resource Services	2,539	3,000	18,600	13,600	-	-	37,739
Tax Collector	516	105,317	4,102	4,855	2,080	-	116,870
Facilities Planning/Lifecycle	120	11,200	17,000	12,249	5,200	-	45,769
Recruitment	-	9,160	22,500	47,500	-	-	79,160
Secondary Human Resource Services	160	4,430	8,000	4,500	-	-	17,090
Benefits	3,460	53,000	5,800	8,700	4,200	-	75,160
Athletic Events	68,620	143,310	-	9,320	-	-	221,250
Chief Financial Officer	1,210	17,964	13,896	18,250	-	-	51,320
Payroll	5,090	115	7,343	3,850	-	-	16,398
Warehouse/Textbooks	900	5,000	6,200	5,288	-	-	17,388
Finance & Budget	200	62,234	9,150	28,900	8,000	-	108,484
Districtwide Expenses - Chief Financial Officer	-	2,486,441	242,260	432,556	563,128	200,000	3,924,385
Superintendent's Office	56,125	224,331	286,570	207,430	6,000	20,000	800,456



Significant Budget Changes for 2022-23

- Adjust Teacher pay scale, increase starting pay to \$62,750; **\$3,712,750**
- 3.0% of midpoint general pay increase for all employees; **\$3,455,842**
- Continued funding for lifecycle projects and upgrades to facilities; **\$500,000**
- Continued funding for Transportation fleet replacement; **\$433,000**
- Continued funding for Technology and network upgrade projects; **\$1,834,500**
- Increase for officer and patrol contract costs; **\$49,000**
- Increase of annual insurance premium; **\$321,560**
- Increase for Reading Academies, scheduled Summer 2022; **\$120,500**
- Increase for Childcare Center meals; **\$30,000**
- Increase for Night School services; **\$25,000**

Life Cycle Projects

The District has budgeted \$500,000 in the General Fund for the following Life Cycle Projects to take place during the 2022-23 fiscal year.

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

Cimarron Elementary	Relocating existing playground equipment	26,358
Cobb 6 th Grade	Refinish gym flooring	3,000
Cunningham Middle	Refinish gym flooring	3,000
Galena Park Middle	Partial carpet replacement	24,047
Galena Park Middle	Athletics dryer replacement	8,197
Galena Park Middle	Refinish gym flooring	3,000
Galena Park High	Refinish gym flooring	4,500
GPISD Stadium	Sound system upgrade	24,598
Green Valley Elementary	Exterior canopy replacement	46,456
MacArthur Elementary	Relocating existing playground equipment	29,607
North Shore Middle	Cooling Tower Refurbishment	87,410
North Shore Middle	Refinish gym flooring	3,000
North Shore 9 th Grade	Field house HVAC Retrofit/Refurbishment	86,175
North Shore 9 th Grade	Refinish gym flooring	3,500
North Shore 10 th Grade	Refinish gym flooring	3,000
North Shore Senior High	Refinish gym flooring	4,500
Sam Houston Elementary	Cafeteria sound system replacement	48,872
Williamson Elementary	Exterior benches replacement	4,320
Williamson Elementary	Relocating existing playground equipment	31,607
Williamson Elementary	Cafeteria sound system replacement	48,872
Contingency		5,981

Life Cycle Grand Total: \$500,000

Future Life Cycle Projects

The following items are included on the long-range life cycle plan for the 2022-23, 2024-25, and 2025-26 school years.

2023-24

\$ 25,000	Lighting Upgrades
500,000	HVAC system replacement or upgrades
475,000	Flooring replacement
<u>\$ 1,000,000</u>	

2024-25

\$ 50,000	Lighting Upgrades
400,000	HVAC system replacement or upgrades
50,000	Resurface asphalt parking lots
325,000	Ceilings/Walls
175,000	Roofing
<u>\$ 1,000,000</u>	

2025-26

\$ 50,000	Lighting Upgrades
305,000	HVAC System replacement or upgrades
175,000	Roofing
470,000	Flooring replacement
<u>\$ 1,000,000</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, 98.74% for 2021-22. The remainder of locally sourced Debt Service revenue is from interest income derived from temporary investments, 0.47% of total Debt Service revenues for 2021-22.

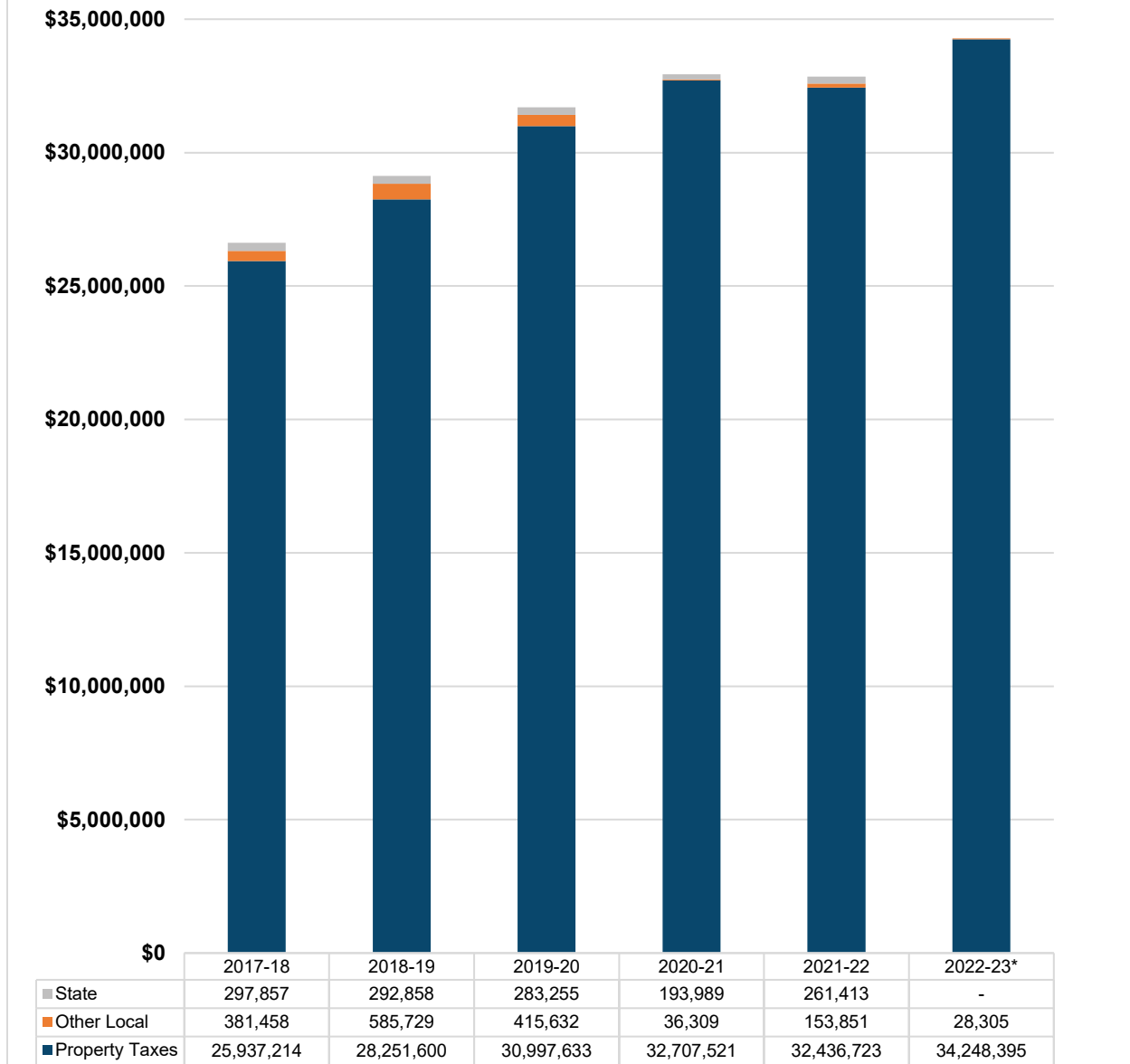
State Revenue

Instructional Facilities Allotment Program

The Instructional Facilities Allotment (IFA) program aids 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 0.80% of the District's Debt Service revenue in 2021-22.

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

Debt Service Fund Revenue Source Trends



*Budget

Expenditures

The Debt Service budget for FY 2022-23 includes \$16,525,063 for principal and \$17,744,637 for interest on outstanding bonds, and \$7,000 for fees associated with these payments. The total amount of outstanding Debt for Galena Park ISD as of September 1st is \$331,405,674.

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 3.44%. 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, 2022 total \$331,405,674 in principal payments and \$218,019,232 in interest payments.

Legal Debt Margin Calculation

Although there is no legal debt limit in the State of Texas, most school business officials in the state hold the opinion that the Attorney General would not approved bonded indebtedness in excess of 10 percent of assessed values. The Legal Debt limit calculation considers both the Assessed Taxable Value of properties in the district boundary, as well as the value of any exempt real properties. The debt applicable to this limit is calculated by summing the district's outstanding General Obligation Bonds, any premiums on these bonds, and deferred losses on refunding bonds. All Debt Service Fund Balance amounts at year end are reserved for future debt payments, reducing the total debt compared to the limit.

Assessed Taxable Value	\$9,938,369,872
Add back:	
Exempt Real Property	2,380,208,148
Total Assessed Value	\$12,318,578,020
Debt Limit (10% of total assessed value)	\$1,231,857,802
Debt Applicable to Limit:	
Schoolhouse and Refunding Bonds	424,257,009
Less: Amount set aside for repayment of bonds	<u>(2,523,143)</u>
Total Net Debt Applicable to Limit	421,733,866
Legal Debt Margin	\$810,123,936
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	34.24%
Ratio of net bonded debt to assessed value	3.44%

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 schedule shows the outstanding debt repayment schedule, as of August 31, 2022.

Outstanding Debt Repayment Schedule

Fiscal Year Ending (Aug 31)	Series 1996 Building & Ref EDA PSF Guaranteed (Non-Callable)	Series 2002 Building & Ref IFA/EDA PSF Guaranteed (Non-Callable)	Series 2013 Refunding EDA PSF Guaranteed (2/15/2023)	Series 2014 Refunding IFA/EDA PSF Guaranteed (2/15/2024)	Series 2015 Refunding IFA/EDA PSF Guaranteed (Non-Callable)
2023	\$ 4,720,000	\$ 2,530,000	\$ 243,025	\$ 982,413	\$ 901,313
2024	4,720,000	2,525,000	242,775	1,008,563	890,013
2025	4,720,000	2,520,000	242,375	1,003,213	898,613
2026	4,720,000	2,525,000	236,825	1,017,263	899,600
2027	4,720,000	10,275,000	240,813	660,113	
2028	4,725,000	10,270,000	239,475	662,863	
2029	4,720,000	10,275,000	242,475	665,013	
2030	4,720,000	10,280,000	240,125	225,025	
2031	4,720,000	10,275,000	242,063	217,713	
2032		14,995,000	238,625	205,400	
2033				202,800	
2034					
2035					
2036					
2037					
2038					
2039					
2040					
2041					
	\$ 42,485,000	\$ 76,470,000	\$ 2,408,575	\$ 6,850,375	\$ 3,589,538

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 August 2022, the redemption of Galena Park Independent School District Unlimited Tax School Building Bonds, Series 2012, by using Debt Service Fund Balance, the district was able to save \$428,100 in future interest costs. The District makes every effort to refund bond sales when interest rates are low or authorize redemption when possible, to continue saving interest costs for the district's taxpayers.

Outstanding Debt Repayment Schedule (continued)

Fiscal Year Ending (Aug 31)	Series 2016	Series 2017	Series 2018	Series 2019	Series 2020	Total Outstanding Voted Bond Debt Service
	Refunding IFA/EDA PSF Guaranteed (8/15/2026)	Refunding IFA/EDA PSF Guaranteed (2/15/2027)	Building & Ref IFA/EDA PSF Guaranteed (2/15/2028)	Refunding IFA/EDA PSF Guaranteed (2/15/2029)	Refunding IFA/EDA PSF Guaranteed (2/15/2030)	
2023	\$ 6,680,325	\$ 4,882,950	\$ 7,008,150	\$ 5,761,950	\$ 559,550	\$ 34,269,675
2024	6,684,575	4,876,200	7,005,650	5,761,700	559,050	34,273,525
2025	6,678,325	4,870,200	7,000,900	5,765,950	558,300	34,257,875
2026	6,671,575	4,869,450	6,993,650	5,764,200	567,300	34,264,863
2027	4,993,825	898,200	6,993,650	5,761,450	555,550	35,098,600
2028	4,989,238	891,200	6,995,150	5,762,450	559,050	35,094,425
2029	4,989,613	893,400	6,992,650	5,766,700	552,050	35,096,900
2030	5,430,875	894,400	6,990,250	5,758,700	560,050	35,099,425
2031	5,446,213	889,200	6,987,550	5,763,700	562,300	35,103,738
2032	5,438,963	913,000	6,985,725	5,760,700	565,700	35,103,113
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
	<u>\$ 104,536,644</u>	<u>\$ 26,037,800</u>	<u>\$ 136,460,550</u>	<u>\$ 131,976,850</u>	<u>\$ 18,951,250</u>	<u>\$ 549,766,581</u>

As bonds are sold or refunded, the total principal and interest amount will fluctuate; 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, 2022

Governmental Unit	Net Debt		Percentage Overlapping	Amount of Overlapping Debt
	Amount	As Of		
Cities:				
Galena Park	\$3,800,000	8/31/2022	100.00%	\$3,800,000
Houston	3,163,795,000	8/31/2022	0.30%	9,491,385
Jacinto City		8/31/2022	37.12%	-
Counties:				
Harris	1,863,542,125	8/31/2022	1.44%	26,835,007
Municipal Utility Districts:				
Harris Co. MUD 8	1,685,000	8/31/2022	100.00%	1,685,000
Harris Co. MUD 53	2,920,000	8/31/2022	22.90%	668,680
Harris Co. MUD 285	55,800,000	8/31/2022	61.34%	34,227,720
Harris Co. MUD 421	2,985,000	8/31/2022	25.06%	748,041
Water Control and Improvement Districts				
Harris Co. WC&ID 36	14,270,000	8/31/2022	100.00%	14,270,000
Port of Houston Authority	469,434,397	8/31/2022	1.44%	6,759,855
Other Governmental Entities:				
Harris County Department of Education	20,185,000	8/31/2022	1.44%	290,664
Harris County Flood Control District	584,900,000	8/31/2022	1.44%	8,422,560
Harris Co. FWSD 47	4,015,000	8/31/2022	17.49%	702,224
Harris Co. FWSD 51	10,550,000	8/31/2022	100.00%	10,550,000
Harris County Hospital Distirct	76,385,000	8/31/2022	1.44%	1,099,944
Harris County Improvement Department	3,825,000	8/31/2022	65.03%	2,487,398
Harris County Toll Road Authority	-	8/31/2022	1.44%	-
San Jacinto Community College District	551,322,427	8/31/2022	14.98%	82,588,100
			Subtotal, overlapping debt	\$204,626,576
			Galena Park Independent School District Direct Debt	\$424,792,486

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 considered. However, this does not imply that every taxpayer is a resident, and therefore responsible for paying the debt, of each overlapping government.

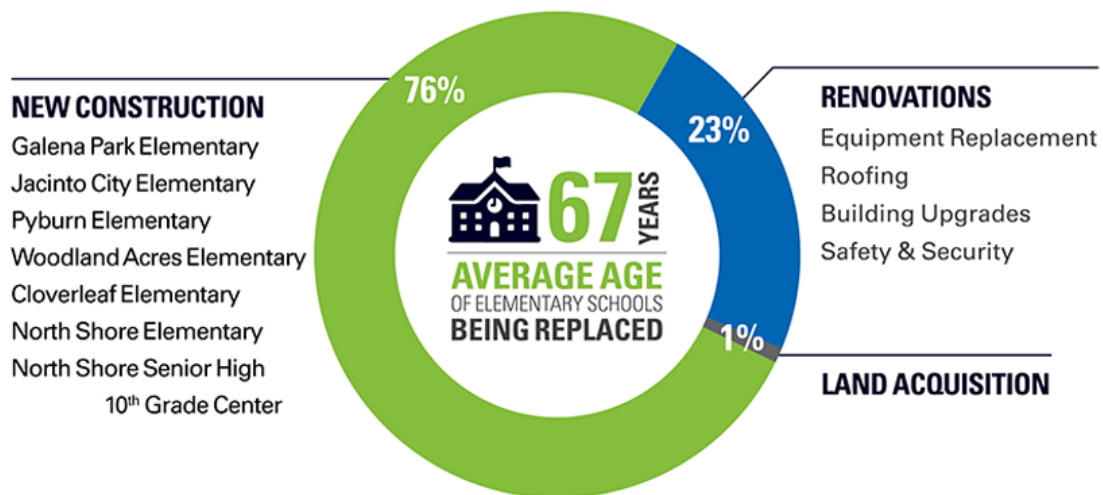
Capital Projects

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, all authorized debt has been issued. Each debt issuance is recorded in a separate fund. Transactions for the 2016 issuance of \$90 million is recorded in Fund 630, the 2018 issuance of \$95 million is reported in Fund 631, and the 2019 issuance of \$105 million is, 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, 2022.

2016 Bond Program Financial Report

As of August 31, 2022

Project Description	Original Budget	Adjusted Budget	Expenditures to Date	Reserved in Purchase Orders	Balance
Projects Completed					
Replacement					
Galena Park Elementary	\$ 26,609,394	\$ 25,055,234	\$ 25,055,234	\$ -	\$ -
North Shore Elementary	33,679,800	31,164,448	31,164,448	-	-
Woodland Acres Elementary	24,400,284	20,100,252	20,100,252	-	-
Cloverleaf Elementary	34,024,795	27,102,615	27,102,615	-	-
Addition					
North Shore Senior 10th Grade	\$ 34,191,876	\$ 28,244,976	\$ 28,244,976	\$ -	\$ -
Renovations					
Summer 2017	\$ 13,994,893	\$ 10,079,269	\$ 10,079,269	\$ -	\$ -
Summer 2019	14,508,704	10,965,958	10,965,958	-	-
Summer 2020	2,585,021	3,364,560	3,364,560	-	-
Summer 2021	-	141,595	141,595	-	-
Land Acquisition					
Total Land Acquisition	\$ 2,500,000	\$ 2,927,940	\$ 2,927,940	\$ -	\$ -
Miscellaneous					
Total Miscellaneous	\$ -	\$ 633,828	\$ 633,828	\$ -	\$ -
Payroll					
Total Payroll	\$ -	\$ 144,555	\$ 144,555	\$ -	\$ -
Total Projects Completed	\$ 186,494,767	\$ 159,925,231	\$ 159,925,231	\$ -	\$ -
Projects In Construction					
Replacement					
Roadway & Utility Relocation	\$ -	\$ 3,793,879	\$ 328,556	\$ 3,465,323	\$ -
Jacinto City Elementary	34,024,795	30,572,821	30,540,619	25,226	6,976
Pyburn Elementary	30,551,527	34,081,532	15,660,918	17,940,459	480,156
Renovations					
Renovations - Summer 2021	\$ 2,181,434	\$ 2,001,832	\$ 1,978,800	\$ 23,032	\$ -
Woodland Acres Middle HVAC	-	3,183,930	2,711,783	472,147	-
Woodland Acres Middle EIFS	-	358,540	341,283	17,256	-
North Shore 10th Glass Replace	-	300,000	2,823	-	297,177
North Shore Middle Vestibule	-	333,500	-	333,264	236
Galena Park High - Phase I	21,538,717	13,608,167	\$12,879,777.56	268,138	460,250
Galena Park High - Phase II	-	44,791,359	1,158,454	629,382	43,003,522
Total Projects in Construction	\$ 88,296,473	\$ 133,025,559	\$ 65,603,014	\$ 23,174,226	\$ 44,248,318
Projects Pending					
Renovations					
Other	\$ 15,208,761	\$ 603,680	\$ 603,680	\$ -	\$ -
Total Projects Pending	\$ 15,208,761	\$ 603,680	\$ 603,680	\$ -	\$ -
Total - All 2016 Bond Projects	\$ 290,000,000	\$ 293,554,469	\$ 226,131,925	\$ 23,174,226	\$ 44,248,318

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, 2021, including replacement of the Pyburn Elementary campus.

Pyburn Elementary



FACILITY AGE
69
YEARS



PROPOSED

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

Construction start: July 2021

The project is currently under construction with an estimated completion date of November 2023.

Completed Facility Renovation Projects

Galena Park High School Central Plant Upgrade

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

Cobb Sixth Grade Campus

The Cobb Sixth Grade Campus renovations and addition were completed August 2019 and consists of a New Addition to the existing Cobb 6th Grade Campus; roof replacement for entire existing campus and miscellaneous repair work for existing campus. The new construction includes a new gymnasium, restrooms and storage area.

Summer 2021 Renovations

Summer 2021 renovations at various locations included repairs and renovations at the Administration Building, Cimarron Elementary, Cunningham Middle School Track, MacArthur Elementary, North Shore Senior 9th Grade Campus, and Woodland Acres Middle School Track.

Ongoing Facility Renovation Projects

Galena Park High School

Phase I renovation project to construct a 12 classroom addition for Galena Park High School began in June 2020 and is open for the 2021-22 school year. Phase II of the project is currently in progress which will include an updated cafeteria and career and technical education facilities.

Woodland Acres Middle School HVAC

The HVAC at Woodland Acres Middle School began in May 2021 and is in progress. This project consists of the replacement of the HVAC and Direct Digital Control system.

Woodland Acres Middle School EIFS

The Exterior Insulation Finishing Systems for Woodland Acres Building B is in progress. This project includes the repair of existing parapet and the exterior finish remodel with installation of Exterior Insulation Finishing Systems finish on classroom building B.



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 2021-22, \$617,593 was collected from these fees, comprising 3.20% 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).

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 2021-22 fiscal year, the district served a total of 1,601,438 breakfasts and 2,440,550 lunches that qualified for reimbursement, receiving \$15,747,762 in National School Breakfast and Lunch Program reimbursements during the fiscal year, which accounted for 81.68% 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, 2022 – June 30, 2023, the program reimbursement rates are as follows:

School Breakfast Program		School Lunch Program	
Paid	\$ 0.50	Paid	\$ 0.77
Reduced	1.96	Reduced	3.93
Free	2.26	Free	4.33

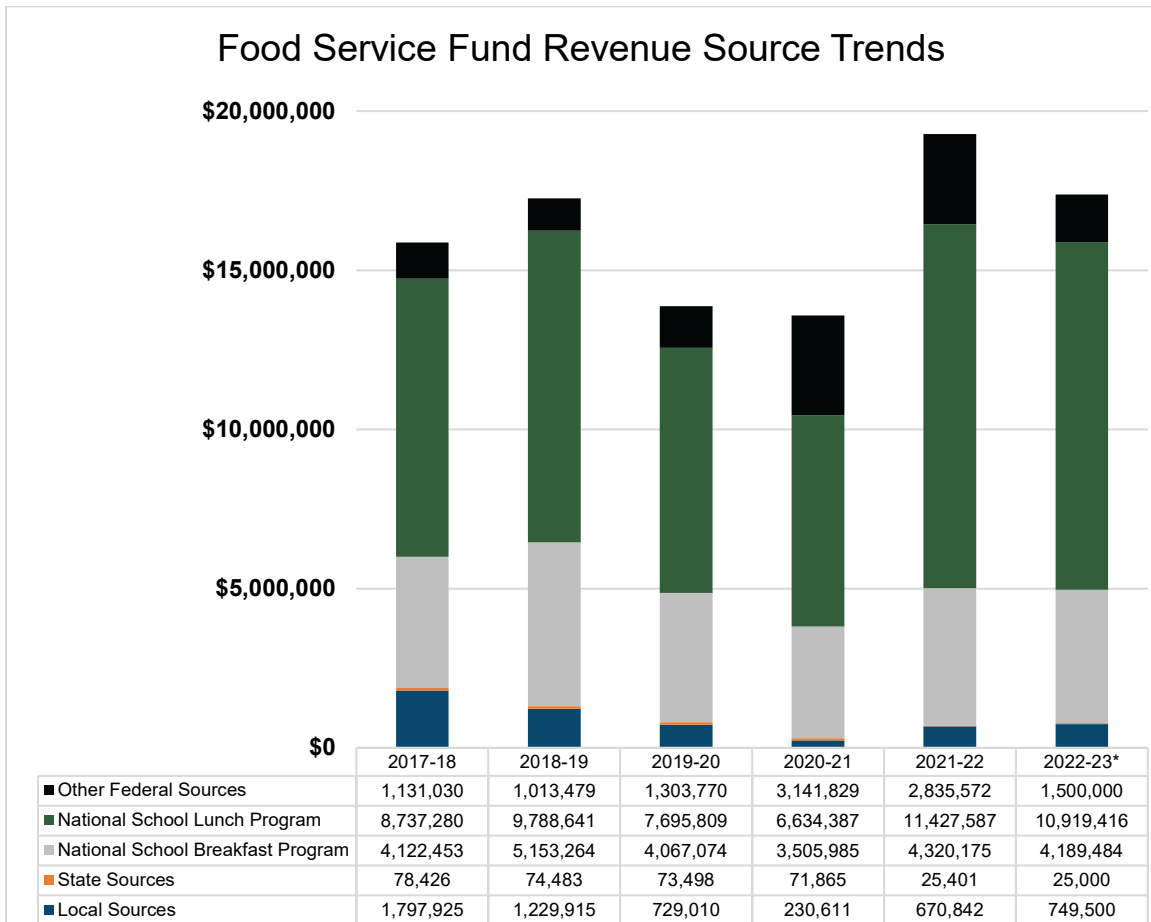
Source: Texas Department of Agriculture

An extra \$0.40 per lunch and \$0.15 per breakfast provided by the Keep Kids Fed Act are included as part of these published rates; these additional reimbursements are temporary and only apply for School Year 2022-2023.

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 following graph 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 \$600,855 or 3.34% over the 2021-22 beginning budget expenditures.

The following table provides a comparison by Major Object for the 2021-22 and 2022-23 beginning budgets.

	Beginning Budget 2021-22	Beginning Budget 2022-23	Percentage change	Percentage of Total
Payroll	\$7,109,321	\$7,251,503	2.00%	41.72%
Purchased Services	252,800	145,690	-42.37%	0.84%
Supplies and Materials	10,478,279	9,734,000	-7.10%	56.00%
Other Operating Costs	44,855	35,007	-21.96%	0.20%
Debt Service	0	7,200	100.00%	0.04%
Capital Outlay	99,000	210,000	112.12%	1.21%
Total	\$17,984,255	\$17,383,400	-3.34%	100.00%

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. At the currently budgeted amounts, the fund balance is projected to be \$6,710,298 at August 31, 2023. Plans for large capital purchases in fiscal year 2022 are being developed, to reduce this projected amount.



Page Intentionally Left Blank

Informational Section

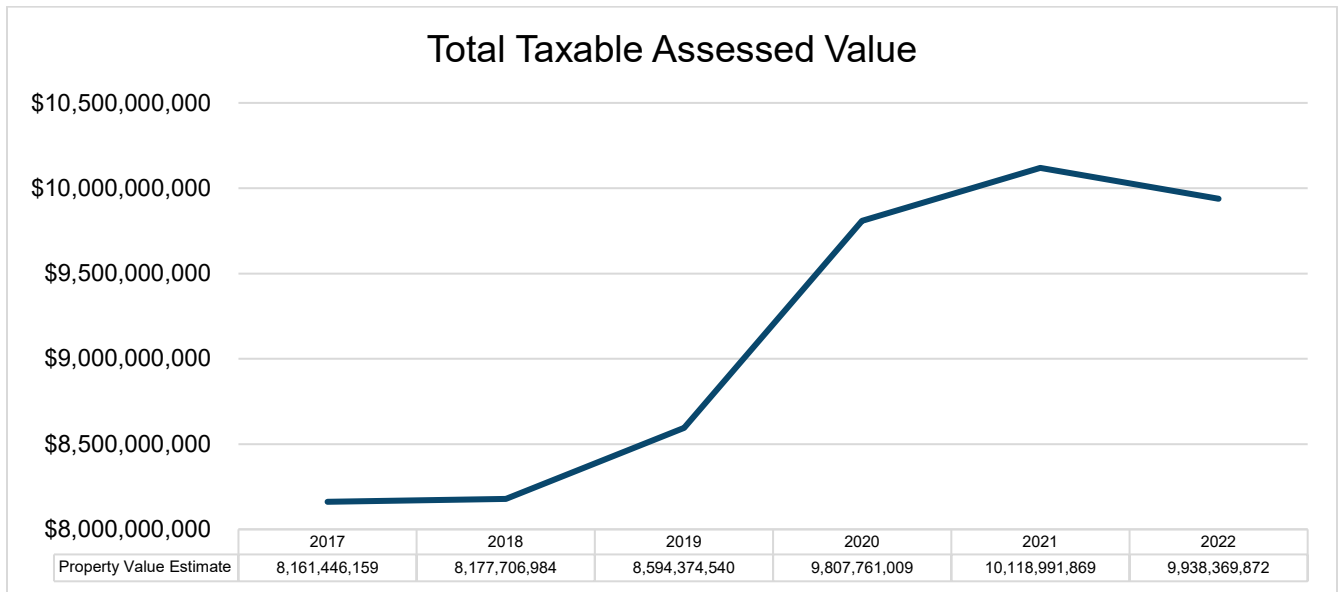
Financial Forecast

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 40-45% 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 growth rate of 4.00% is used.

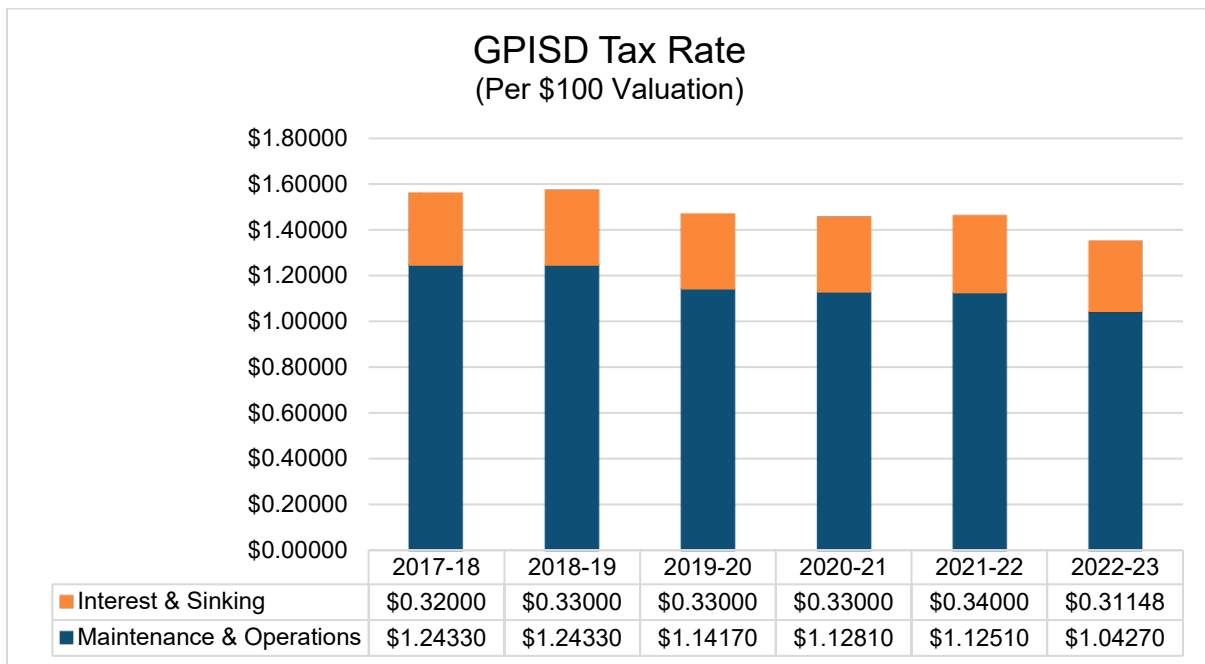
2022	2023	2024	2025	2026
\$ 9,938,369,872	\$ 11,390,568,070	\$ 11,846,190,793	\$ 12,320,038,425	\$ 12,812,839,961

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.

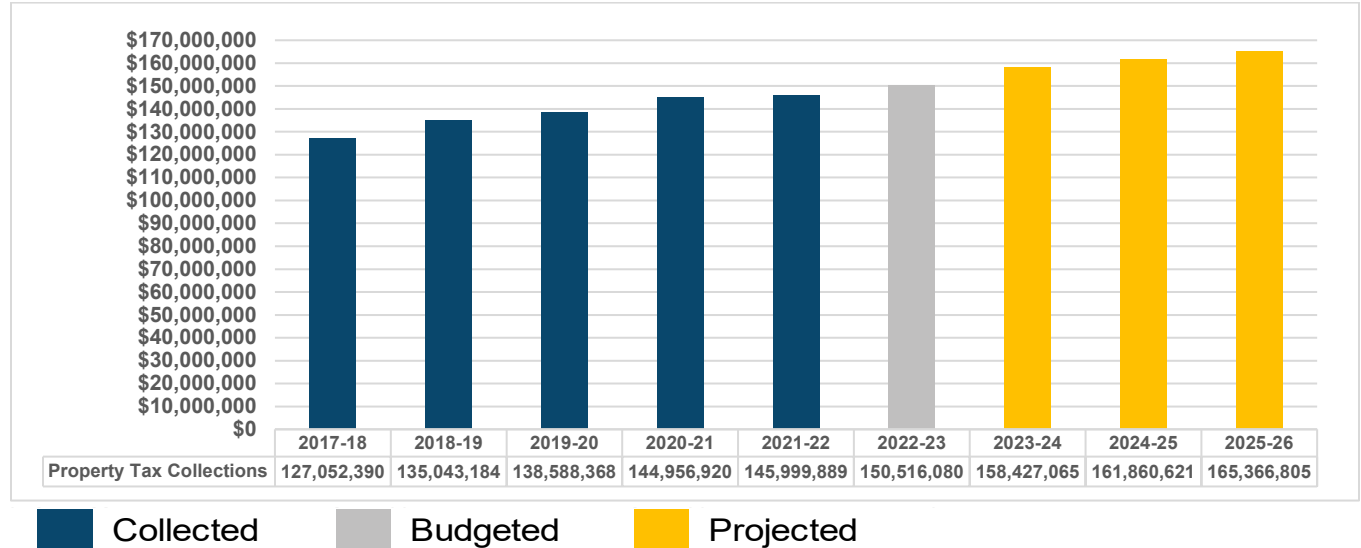
Source: Texas Comptroller of Public Accounts <https://comptroller.texas.gov/taxes/property-tax/truth-in-taxation/>

The tax rates applicable to the Maintenance & Operation and Interest & Sinking for fiscal year 2022-23 are \$1.04270 and \$0.31148, respectively.



Property Tax Collections

To budget revenue receipts for property tax collections, the District estimates 4.0% 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 a 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
	2018-19	2019-20	2020-21	2021-22	2022-23
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	40,000
Taxable Value	\$55,000	\$55,000	\$55,000	\$55,000	\$55,000
Total property tax rate	\$1.57330	\$1.47170	\$1.45810	\$1.46510	\$1.35418
Property tax due	\$865.32	\$809.44	\$801.96	\$805.81	\$744.80

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	\$140,999	\$172,415
Average Taxable Value of Residences	\$92,753	\$102,799
Last Year's Rate verses Proposed rate per \$100 Value	\$1.46510	\$1.35418
Taxes Due on Average Residence	\$1,358.92	\$1,392.08
Increase (Decrease) in Taxes		\$33.16

This notice was published on Thursday, August 11, 2022, in Issue Number 431 of the North Channel Star newspaper.



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	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
GALENA PARK H S	2,062	2,050	2,016	1,843	1,813	1,876	1,872	1,914
NORTH SHORE SENIOR HIGH	4,641	4,835	4,778	4,537	4,552	4,604	4,529	4,574
HIGHPOINT SCHOOL EAST (DAEP)	12	6	2	7	8	1	3	10
JUVENILE JUSTICE AEP	1	1	1	1	4	0	1	1
EARLY COLLEGE HIGH SCHOOL	-	-	-	482	487	477	456	464
GALENA PARK MIDDLE	999	1,024	1,013	1,064	1,104	1,081	985	943
NORTH SHORE MIDDLE	1,395	1,398	1,406	1,380	1,351	1,380	1,337	1,260
WOODLAND ACRES MIDDLE	523	542	534	514	546	568	570	603
CUNNINGHAM MIDDLE	958	1,015	988	962	986	977	987	928
COBB 6TH GRADE CAMPUS	1,167	1,168	1,141	1,155	1,253	1,153	1,016	1,030
CIMARRON EL	799	780	749	735	745	724	684	677
CLOVERLEAF EL	831	805	836	772	810	769	766	803
GALENA PARK EL	644	622	603	602	582	574	574	597
GREEN VALLEY EL	806	780	764	677	689	620	636	598
JACINTO CITY EL	827	791	784	721	700	685	697	714
MACARTHUR EL	707	711	768	708	672	630	622	614
NORTH SHORE EL	987	995	969	992	1,002	969	1,008	951
PYBURN EL	649	642	653	599	594	554	479	461
WOODLAND ACRES EL	438	459	468	481	459	468	445	443
TICE EL	700	714	690	680	716	655	695	668
PURPLE SAGE EL	568	596	548	528	559	544	491	451
JAMES B HAVARD EL	682	700	690	711	652	607	634	666
NORMANDY CROSSING EL	643	668	664	632	656	607	596	660
DR SHIRLEY J WILLIAMSON EL	641	628	688	680	685	659	633	661
SAM HOUSTON EL	869	854	838	826	803	737	718	708
TOTAL	22,549	22,784	22,591	22,289	22,428	21,919	21,434	21,399



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:

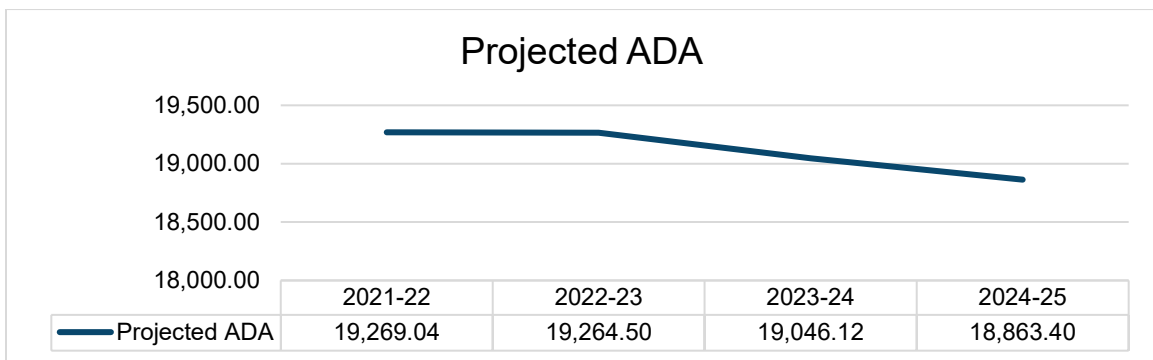
	2017-18	2018-19	2019-20	2020-21	2021-22
Total Refined ADA (includes EE-12)	21,282.000	20,772.560	20,779.551*	20,696.016*	19,295.175*
Career & Technical Education FTE	1,426.882	1,431.875	1,518.297	1,874.843	
CTE Tier 1					65.962
CTE Tier 2					1,472.039
CTE Tier 3					829.382
Total Special Education FTE	464.646	504.462	545.093	612.552	617.935
Speech Therapy FTE	20.956	21.214	24.587	31.057	29.920
Homebound FTE	0.888	0.957	0.574	0.320	0.674
Hospital Class FTE	0.000	0.000	0.000	0.000	0.000
Resource Room FTE	296.348	322.911	345.317	382.436	387.854
VAC FTE	9.115	4.848	4.533	6.179	16.191
Off Home Campus FTE	1.008	0.803	0.517	0.554	0.222
State School FTE	0.000	0.000	0.000	0.000	0.000
Residential Care/Treat FTE	0.000	0.227	0.000	0.000	0.000
Self-Contained Mild/Mod FTE	135.554	136.542	152.577	177.672	171.961
Full-Time Early Spec Ed	8.370	16.960	16.988	14.334	11.113
Special Education Mainstream Refined ADA	670.425	680.714	701.750	717.410	646.316
Bilingual/ESL Refined ADA	6,357.546	6,807.770	7,171.071	7,475.086	7,457.718
Early Ed Eco Dis Refined ADA				4,892.943	4,790.129
Early Ed Lang Refined ADA				2,566.364	2,467.331
Early Ed Eco Dis & Lang Refined ADA				2,369.022	2,314.249
Pregnancy Related Services FTE	3.174	3.997	2.008	2.894	3.576
Gifted & Talented Enrollment #	1,064.100	1,459.000	1,672.000	1,507.000	1,490.000
LEP Counts #	7,605.000	8,093.000	8,513.000	8,615.000	9,087.000
Weighted ADA	29,993.622	29,811.347	29,424.113	29,776.746	29,442.660

*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 refined ADA for 2020-21 was modified by TEA due to attendance percentage caps related to remote learning. Additionally, the attendance rate for the first semester of 2021-22 was adjusted by TEA to more closely match the 2019-20 school year. These adjustments were made by the state agency on behalf of districts in an effort to mitigate the financial impact of decreased attendance.

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, and the current trend anticipates a decline through 2024-25.

Personnel Resource Allocations

Approximately 85% of the District's budget is allocated to pay for salaries and other payroll aspects.

	Total Staff (FTE) Count by Year					
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Teachers	1,409.3	1,358.8	1,374.8	1,399.0	1,400.1	1,383.4
Professional Support	370.4	411.9	384.4	393.7	398.0	417.0
Campus Administration	78.3	87.0	87.9	88.2	89.3	87.8
Central Administration	52.0	54.0	62.0	59.5	56.4	55.0
Educational Aides	239.4	249.7	271.0	257.6	250.0	263.5
Auxiliary Staff	1,044.0	1,056.9	1,075.4	1,034.5	991.6	1,059.3
Total	3,193.4	3,218.3	3,255.5	3,232.5	3,185.4	3,266.0



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
2/15/2023		6,009,838		6,009,838	
8/15/2023	16,525,063	6,009,838	5,724,937	28,259,838	34,269,675
2/15/2024		5,656,763		5,656,763	
8/15/2024	17,140,673	5,656,763	5,819,327	28,616,763	34,273,525
2/15/2025		5,286,438		5,286,438	
8/15/2025	17,778,767	5,286,438	5,906,233	28,971,438	34,257,875
2/15/2026		4,897,431		4,897,431	
8/15/2026	18,475,023	4,897,431	5,994,977	29,367,431	34,264,863
2/15/2027		4,481,800		4,481,800	
8/15/2027	14,218,400	4,481,800	11,916,600	30,616,800	35,098,600
2/15/2028		4,259,713		4,259,713	
8/15/2028	14,476,442	4,259,713	12,098,558	30,834,713	35,094,425
2/15/2029		4,023,450		4,023,450	
8/15/2029	14,780,940	4,023,450	12,269,060	31,073,450	35,096,900
2/15/2030		3,802,213		3,802,213	
8/15/2030	15,060,710	3,802,213	12,434,290	31,297,213	35,099,425
2/15/2031		3,591,869		3,591,869	
8/15/2031	15,337,528	3,591,869	12,582,472	31,511,869	35,103,738
2/15/2032		3,364,056		3,364,056	
8/15/2032	14,947,127	3,364,056	13,427,873	31,739,056	35,103,113
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>331,405,674</u>	<u>120,186,581</u>	<u>98,174,326</u>	<u>549,766,581</u>	<u>549,766,581</u>

Outstanding Bond Issues

The most recent bond election was held on May 7, 2016 for \$290 million, passing by 72%. The District is using 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 maintained the timeline.

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.

In October 2019, the District sold the \$105 million in remaining bond sales to fund these projects; the District currently holds a Moody's credit rating of Aa1, and a Fitch credit rating of AA+.

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.

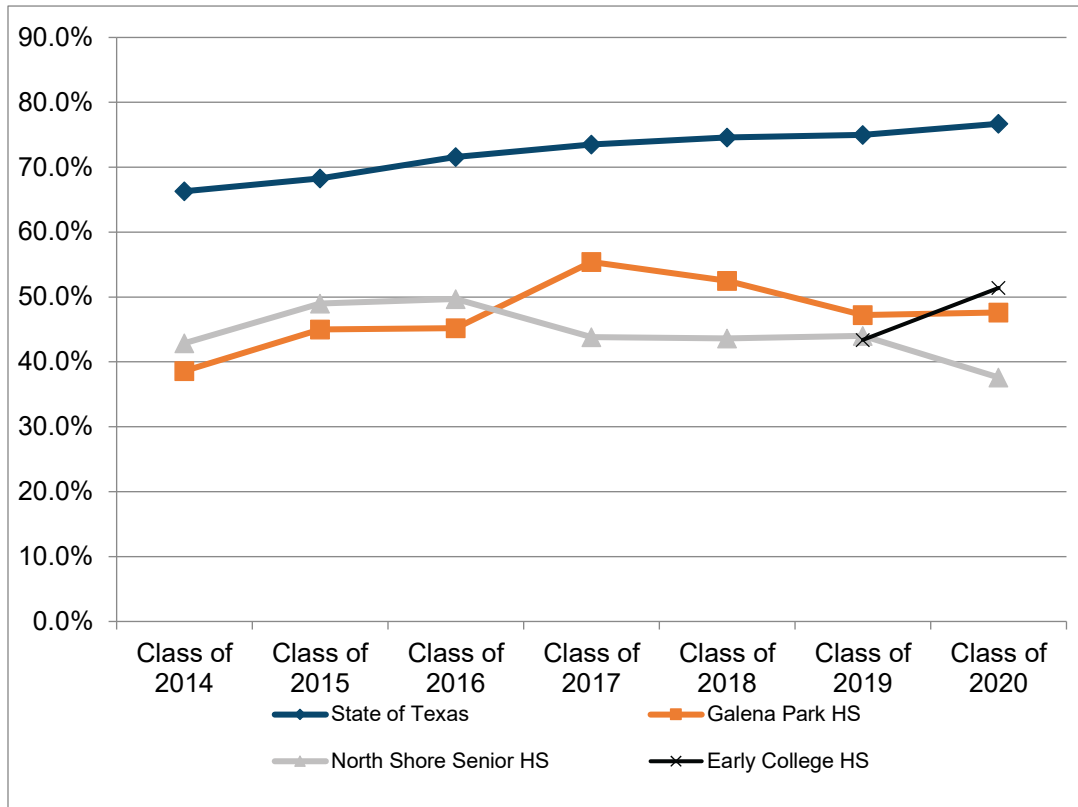
Renovation projects are in various stages. Roofing, cooling tower and chiller projects have been completed. Phase I renovation project to construct a 12 classroom addition for Galena Park High School began in June 2020 and is open for the 2021-22 school year. Phase II of the project is currently in progress and includes significant additions, along with various renovations which will include an updated cafeteria and career and technical education facilities.

Performance Measures

SAT and ACT Participation

Percent of Students Tested for ACT/SAT

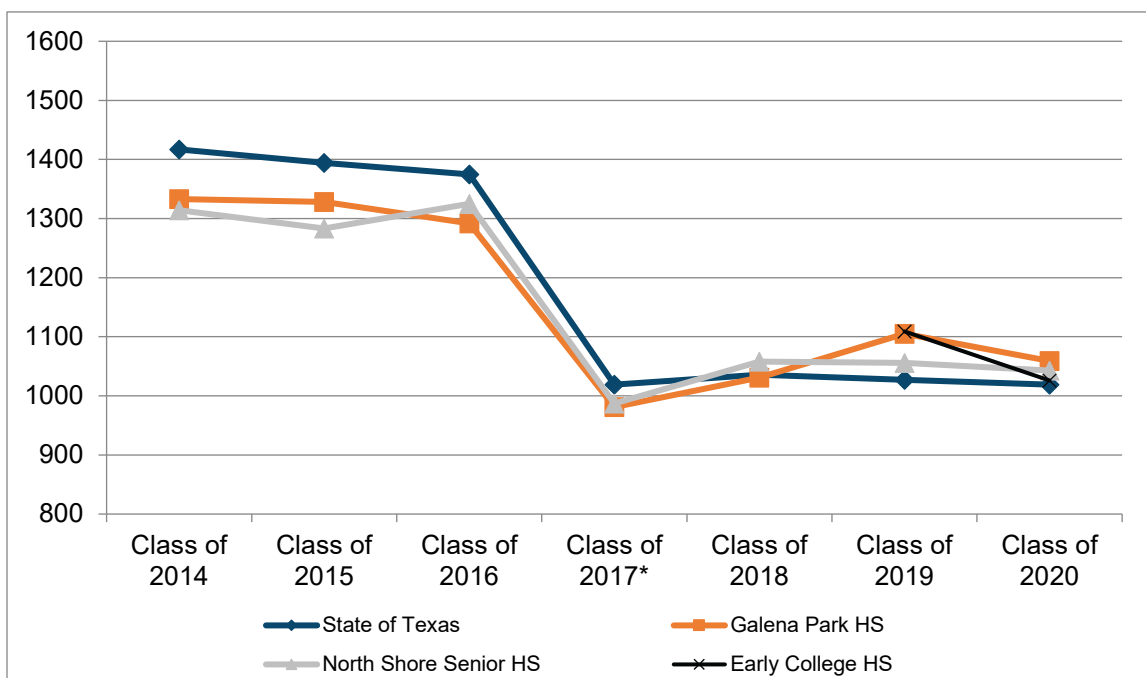
	State	Galena Park ISD	Galena Park High School	North Shore Senior High School	Early College High School
Class of 2020	76.7%	39.4%	47.6%	37.6%	51.4%
Class of 2019	75.0%	43.3%	47.2%	44.0%	43.4%
Class of 2018	74.6%	46.4%	52.5%	43.6%	N/A
Class of 2017	73.5%	47.4%	55.4%	43.8%	N/A
Class of 2016	71.6%	48.3%	45.2%	49.7%	N/A
Class of 2015	68.3%	48.2%	46.3%	49.0%	N/A
Class of 2014	66.3%	41.7%	38.6%	42.9%	N/A



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	Early College High School
Class of 2020	1019	1042	1059	1043	1026
Class of 2019	1027	1053	1105	1056	1019
Class of 2018	1036	1049	1031	1058	N/A
Class of 2017*	1019	985	981	987	N/A
Class of 2016	1375	1318	1292	1325	N/A
Class of 2015	1394	1295	1328	1283	N/A
Class of 2014	1417	1320	1333	1314	N/A

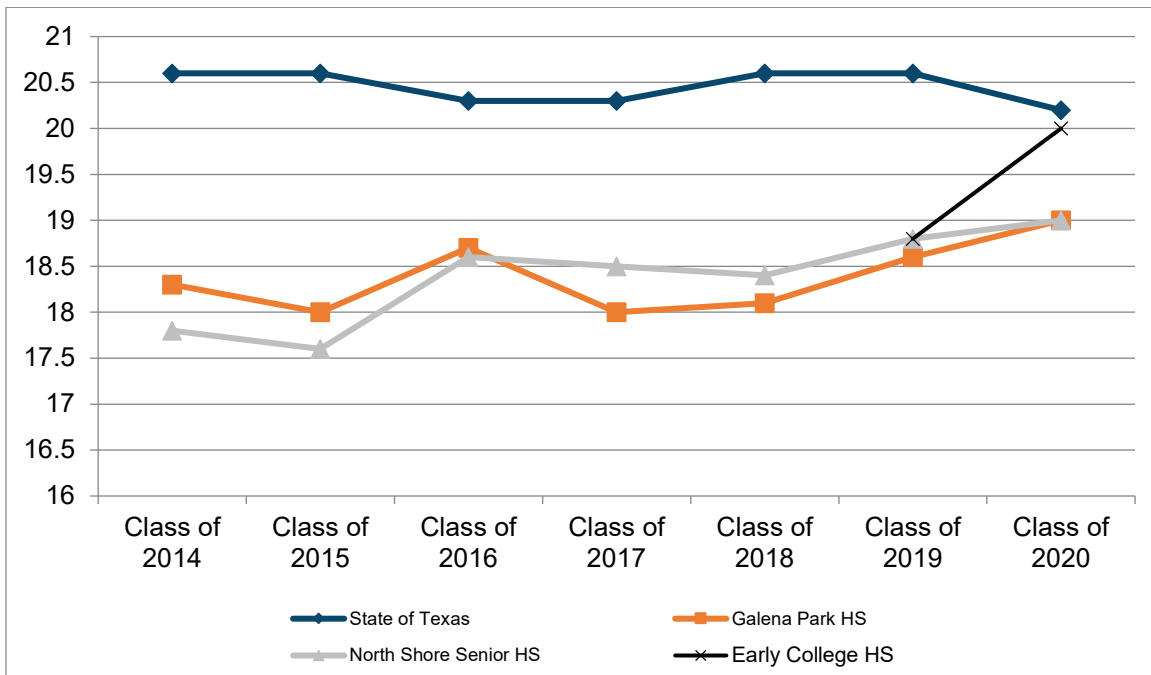


*Beginning with the Class of 2017, a change in the max score from 2400 to 1600 occurred due to removal of the writing portion from the final score.

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	Early College High School
Class of 2020	20.2	19.0	19.0	19.0	20.0
Class of 2019	20.6	18.7	18.6	18.8	18.8
Class of 2018	20.6	18.3	18.1	18.4	N/A
Class of 2017	20.3	18.3	18.0	18.5	N/A
Class of 2016	20.3	18.6	18.7	18.6	N/A
Class of 2015	20.6	17.8	18.0	17.6	N/A
Class of 2014	20.6	17.9	18.3	17.8	N/A



Advanced Placement Program

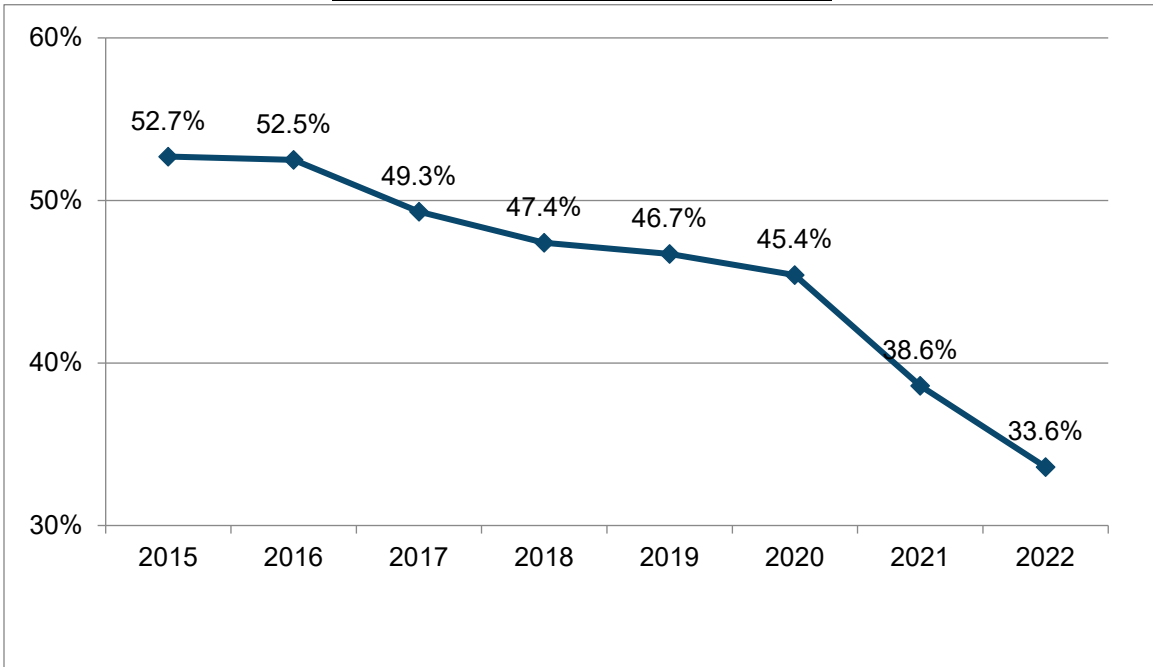
The Advanced Placement Program in Galena Park ISD is designed to give high school students the opportunity to earn credit for college-level courses. The AP courses are developed at the local level, based on course descriptions provided by the College Board, and are taught by high school teachers. Annual 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.



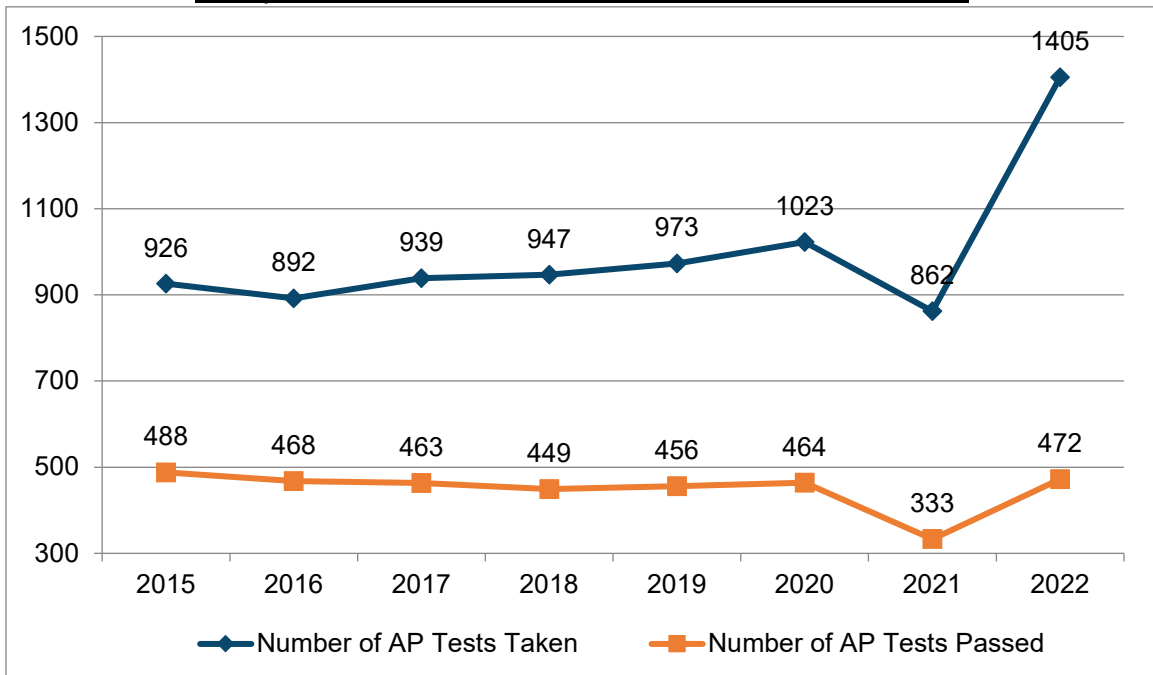
Advanced Placement Three Year Exam & Scores Summary

	2020		2021		2022	
Subject	# 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
Art History	5/10	50%	3/7	43%	13/20	65%
Biology	11/21	52%	10/56	18%	24/112	21%
Calculus AB	5/21	24%	4/14	29%	6/50	12%
Calculus BC	1/1	100%	2/2	100%	2/3	67%
Chemistry	12/44	27%	9/38	24%	14/54	26%
Computer Sci. A	5/11	45%	1/3	33%	3/16	19%
Drawing	8/8	100%				
English Language	23/69	33%	18/58	31%	17/86	20%
English Literature	8/31	26%	10/51	20%	43/75	57%
Env. Science	14/36	39%	20/45	44%	26/60	43%
French Lang.			1/1	100%		
Human Geo.	35/145	24%	21/134	16%	36/188	19%
Macroeconomics	4/14	29%	2/17	12%	5/38	13%
Music Theory	7/7	100%	2/2	100%	2/4	50%
Physics I	8/29	28%	4/12	33%	7/37	19%
Physics II	6/6	100%	0/3	0%	3/3	100%
Physics C: Electricity and Magnetism	1/2	50%				
Physics C: Mechanics	3/3	100%	0/2	0%	0/1	0%
Psychology	25/74	34%	9/48	19%	5/49	10%
Spanish Language	133/139	96%	75/88	85%	121/189	64%
Spanish Literature	32/48	67%	27/35	77%	23/41	56%
Statistics	6/18	33%	7/16	44%	6/16	38%
Studio Art	29/30	97%	47/48	98%	50/53	94%
U.S. Government	11/29	38%	7/22	32%	7/26	27%
U.S. History	26/78	33%	18/54	33%	15/77	19%
World History	46/149	31%	36/106	34%	44/207	21%
Total	464/1023	45.4%	333/862	38.6%	472/1405	33.6%

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 2021			Class of 2020			Class of 2019			Class of 2018		
	District	Region 4	State	District	Region 4	State	District	Region 4	State	District	Region 4	State
Graduated	92.5%			92.2%	89.9%	90.3%	91.2%	89.0%	90.0%	90.1%	88.9%	90.0%
Received GED	0.0%			0.1%	0.3%	0.4%	0.1%	0.4%	0.5%	0.3%	0.5%	0.4%
Continued HS	2.5%			1.6%	3.6%	3.9%	1.3%	3.7%	3.7%	2.1%	4.0%	3.8%
Dropped Out	5.0%			6.1%	6.1%	5.4%	7.5%	6.9%	5.9%	6.8%	6.6%	5.7%

5-Year Graduation Rate Without Exclusions

	Class of 2020			Class of 2019			Class of 2018			Class of 2017		
	District	Region 4	State	District	Region 4	State	District	Region 4	State	District	Region 4	State
Graduated	91.8%			91.2%	89.0%	90.0%	92.6%	91.3%	92.2%	91.1%	91.0%	92.0%
Received GED	0.1%			0.1%	0.4%	0.5%	0.3%	0.6%	0.6%	0.2%	0.7%	0.6%
Continued HS	1.0%			1.3%	3.7%	3.7%	0.5%	1.1%	1.1%	0.5%	1.2%	1.1%
Dropped Out	7.2%			7.5%	6.9%	5.9%	6.6%	7.0%	6.1%	8.1%	7.1%	6.3%

Annual Dropout rate

	2020-21			2019-20			2018-19			2017-18		
	District	Region 4	State	District	Region 4	State	District	Region 4	State	District	Region 4	State
Grades 7-8	0.5%			0.3%	0.7%	0.5%	0.3%	0.6%	0.4%	0.4%	0.6%	0.4%
Grades 9-12	3.0%			1.9%	1.7%	1.6%	2.2%	2.0%	1.9%	2.3%	2.1%	1.9%

The most recent Region 4 and State percentage rates for Class of 2021 4-year Graduation, Class of 2020 5-year Graduation, and 2019-20 Annual Dropout are anticipated to be released December 2022, after the time of this publication.

Percentage of Free or Reduced-Price Meals

Fiscal Year	Average Daily Attendance	Students Participating in Free/Reduced Lunch Program	Percentage
2022	19,748.544	13,301	67.35%
2021	20,593.442	12,888	62.58%
2020	20,202.595	11,922	59.01%
2019*	20,771.523	11,754	56.59%
2018	21,282.000	17,964	84.41%

*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 a decline in student participation in the USDA free/reduced program.

Texas Education Agency Accountability Summary

2022

	Component Score	Sealed Score	Rating
Overall		91	A
Student Achievement		86	B
STAAR Performance	46	78	
College, Career and Military Readiness	82	96	
Graduation Rate	94	80	
School Progress		93	A
Academic Growth	78	91	A
Relative Performance (Eco Dis: 85.5%)	64	93	A
Closing the Gaps	82	87	B
Postsecondary Readiness		Not Earned	

2020 & 2021

Given the impact of COVID-19, all districts and schools received a label of Not Rated: Declared State of Disaster for their 2020 and 2021 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. Approval to waive accountability ratings was also granted for the 2020-21 school year.

Additionally, for 2020 and 2021 state academic accountability, all districts and campuses will receive a label of *Not Rated: Declared State of Disaster*.

Accountability Data Summary for 2021

Student Achievement Raw Component Score	
STAAR Performance	36
College, Career and Military Readiness	78
Graduation Rate	93
School Progress Raw Component Score	
Academic Growth	N/A
Relative Performance (Eco Dis: 86.9%)	57
Closing the Gaps Percent of Indicators Met	
Academic Achievement Status	16%
Growth Status	N/A
Graduation Status	57%
English Language Proficiency Status	100%
Student Success Status	0%
School Quality Status	100%
Percent Participation (all Tests)	
2018-19	100%
2020-21	97%

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	

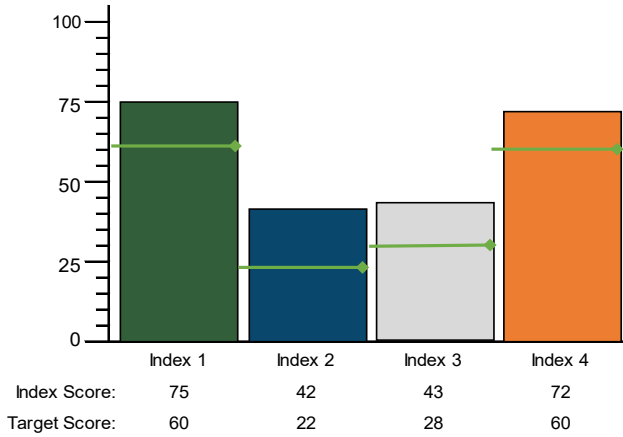
Note: Galena Park ISD was directly affected by Hurricane Harvey, and did not receive an overall rating for 2018.

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

System Safeguards

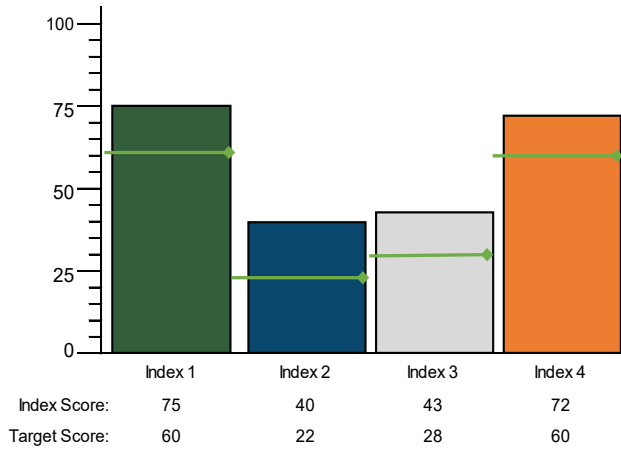
Index	Points Earned	Maximum Points	Index Score
1 - Student Achievement	27,964	37,347	75
2 - Student Progress	754	1,800	42
3 - Closing Performance Gaps	1,285	3,000	43
4 - Post Secondary Readiness			
STAAR Score	12.7		
Graduation Rate Score	22.3		
Graduation Plan Score	20.6		
Postsecondary Component Score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

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			
---------------------------	--	--	--

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

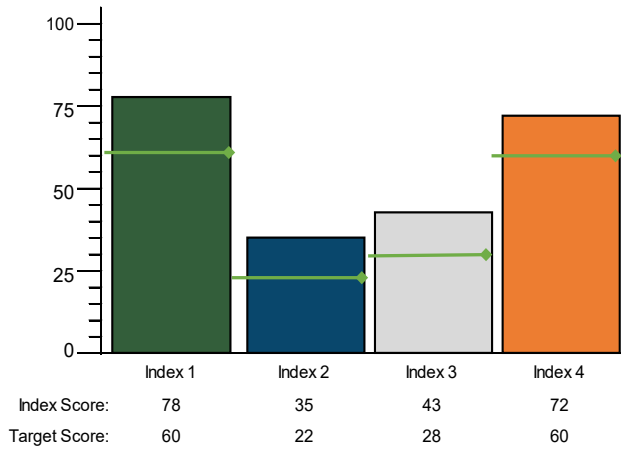
System Safeguards	
-------------------	--

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

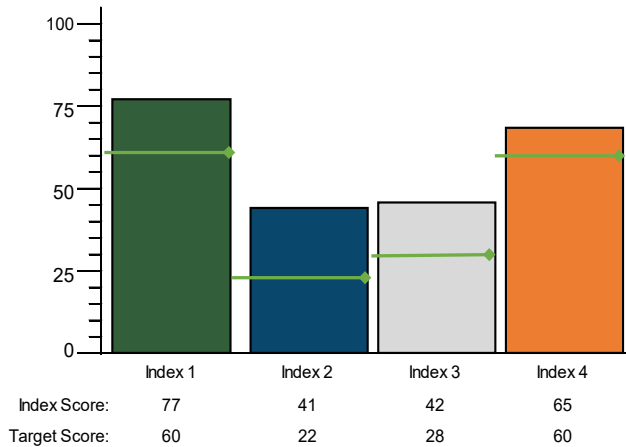
System Safeguards

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/>

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.

Adopted Budget – The budget formally approved by the district Board of Trustees prior to each fiscal year.

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

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.

Cabinet – The executive leadership and management group that reports directly to the Superintendent of Schools.

CCMR - the **C**ollege **C**areer and **M**ilitary **R**eadiness is a component of the Student Achievement domain measuring graduates' preparedness for college, career, or military.

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.

CPAC – the **C**ampus **P**lanning **A**dvisory **C**ommittee is a group of campus stakeholders including campus leadership, teachers and parents.

CTE – the **C**areer **T**echnical **E**ducation provides students with the academic and technical skills, knowledge and training necessary to succeed in future careers and to become lifelong learners.

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 **District Improvement Plan**, 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 – (Eco Disc) 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.

EIFS - The **Exterior Insulation Finishing Systems**, sometimes referred to as synthetic stucco, is a type of cladding that provides wall exteriors with an insulated finished surface.

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]

Enrichment Pennies - These pennies are sometimes called **golden pennies** because they are the pennies of tax effort for which a district can generate the highest level of enrichment funding. In addition, golden pennies are not subject to excess local revenue (recapture).

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.

ESSER – Acronym for **Elementary and Secondary School Emergency Relief Fund**; authorized in three pieces of federal stimulus and relief legislation. As a result, the ESSER programs are administered by TEA as separate grant programs.

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.

Extended Cabinet – A group of senior administrators, who play a vital role in maintaining levels of excellence in school district affairs, and are responsible for supporting staff, providing district leadership, sustaining district-wide goals, and promoting district initiatives.

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.

FAR - Financial Accountability System Resource guide describes the rules of financial accounting for school districts, charter schools, and education service centers. The FASRG is adopted by 19 Texas Administrative Code §109.41 and 19 Texas Administrative Code §109.5001.

FFA – The **F**uture **F**armers of **A**merica program is the premier youth organization preparing members for leadership and careers in the science, business and technology of agriculture.

FDIC – Acronym for **F**ederal **D**eposit **I**nsurance **C**orporation, 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."

FTE – A **F**ull-**T**ime **E**quivalent equal to the number of hours a full-time employee works for an organization.

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)

HB3 – Acronym for **H**ouse **B**ill **T**hree, 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 **I**nstructional **F**acilities **A**llotment 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.

Least Squares Method - A statistical procedure to find the best fit for a set of data points by minimizing the sum of the offsets or residuals of points from the plotted curve.

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**

Maximum Compressed Tax Rate (MCR): A district's maximum compressed tax rate is defined as the tax rate for the current tax year per \$100 of valuation of taxable property at which the district must levy a maintenance and operations tax to receive the full amount of the tier one allotment.

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.

NNR – Acronym for the **No-New-Revenue** tax rate, which enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes if applied to the same properties that are taxed in both years (no new taxes). When appraisal values increase, the NNR tax rate should decrease.

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.

Permanent School Fund - The Texas Permanent School Fund (PSF) was created with a \$2,000,000 appropriation by the Texas Legislature in 1854 expressly for the benefit of the public schools of Texas. The Constitution of 1876 stipulated that certain lands and all proceeds from the sale of these lands should also constitute the PSF. Additional acts later gave more public domain land and rights to the PSF.

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.

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.

SHARS - The **School Health and Related Services** program allows Texas local educational agencies and shared service arrangements to request reimbursement for Medicaid health-related services. The admission, review, and dismissal committee determines SHARS services. Services must be medically necessary and reasonable to ensure that children with disabilities are able to participate in the educational program.

SNAP – The **Supplemental Nutrition Assistance Program** 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 Texas Academic Performance Report 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.

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.

TEC – The **T**exas **E**ducation **C**ode includes all laws and rules passed by the state legislature. It applies to most educational institutions that are supported in whole or part by state tax funds.

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

TY – Acronym for **T**ax **Y**ear

UIL - The **U**niversity **I**nterscholastic **L**eague exists to provide educational extracurricular academic, athletic, and music contests.

USDA – Acronym for The **U**nited **S**tates **D**epartment of **A**griculture, 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 **U**nited **S**tates **D**epartment of **E**ducation, 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 **W**eighted **A**verage **D**aily **A**ttendance. WADA is a calculated number that represents the number of students for which a district receives funding after adjusting for special needs.

Acknowledgements

Expertise from the following individuals was instrumental in preparing this Budget Document:

- Dr. Sonya Niazy, CPA.... Chief Financial Officer /Deputy Superintendent for Operational Support
- Ida Schultze, CPA..... Executive Director for Finance and Treasury
- Amicha Williams..... Executive Director for Business Support Services
- Paul Drexler.....Executive Director for School Operations
- Harold “Sonny” Fletcher.....Senior Director for Facility Planning and Construction
- Lucia Palazzi.....Director for Student Assessment
- Donna Pruitt.....Director of PEIMS and Data Quality
- Renee Beck.....Director for Accounting Services
- Christopher Young.....Director for District Budget and Tax Services
- Robert Seibert.....Program Director for Advanced Academics & Project Based Learning
- Damaris Rodriguez.....Capital and Bond Projects Coordinator
- Christopher Gause.....Coordinator for Multimedia
- Shea Rodriguez.....Administrative Assistant to the Chief Financial Officer
- Elyse Rountree.....Communication Specialist
- Edith Alvarado.....Tax Office and Budget Clerk



