

# 2013 - 2014

## **ADOPTED BUDGET**



**DONNA INDEPENDENT SCHOOL DISTRICT**

116 NORTH TENTH STREET  
DONNA, TEXAS 78537  
HIDALGO COUNTY

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# **Donna Independent School District**

## **Donna, Texas**



### **Fiscal Year 2013-14 Official Budget**

### **Detailed Budget Analysis**

*Effective*

*September 1, 2013 to August 31, 2014*

*As Adopted August 27, 2013*

### **Issued by the Business & Finance Office:**

Mr. Jesus Rene Reyna, Deputy Superintendent

Mr. David Robledo, Chief Financial Officer

Mrs. Stephanie De Los Santos, Finance Supervisor

Ms. Angelica Resendez, Budget Accountant

*Donna Independent School District*

*116 North 10<sup>th</sup> Street*

*Donna, Texas 78537*

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

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*Donna ISD.....*

*Committed to Excellence*



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# DONNA INDEPENDENT SCHOOL DISTRICT

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# DONNA INDEPENDENT SCHOOL DISTRICT

## Glossary of Commonly Used Terms

### *Fiscal Year 2013-14 Official Budget*

**Average Daily Attendance (ADA)-** This is the number of students attending school on an average day. Donna ISD receives funding based on ADA calculations.

**Budget Amendment-** This is the reallocation of budgeted funds from one function to another. All budget amendments are required to be adopted by the last day of the fiscal year. Donna ISD presents budget amendments for board approval at each regular board meeting.

**Budget Change-** This is the reallocation of budgeted funds within the same function. All budget changes must also be submitted by the last day of the fiscal year. Donna ISD does not require board approval for budget changes, and therefore, budget changes may be made on a daily basis.

**Comprehensive Needs Assessment (CNA)-** State and federal law both outline the requirement for schools to conduct a comprehensive needs assessment as part of the planning and decision-making process. The purpose of a CNA is to examine multiple sources of data to identify the priority needs and direction for the school. When conducted thoroughly, the CNA tool provides schools with identified strengths and weaknesses and specifies priorities for addressing student achievement and meeting challenging academic and performance standards.

**District Improvement Plan (DIP)-** State law requires that a district improvement plan and improvement plans for each campus are developed, reviewed, and revised annually for the purpose of improving the performance of all students. The purpose of the DIP is to guide district and campus staff in the improvement of student performance for all student groups in order to attain state standards in respect to academic excellence indicators.

**Fiscal Year (FY)-** Our fiscal year is a 12 month period beginning September 1<sup>st</sup> and ending August 31<sup>st</sup>. The District's budget operates annually on this schedule.

**Function-** A function represents a general operational area in a school district and groups together related activities.

**Fund-** School district accounting systems are organized and operated on a fund basis. A fund is an accounting entity with a self-balancing set of accounts recording financial resources and liabilities. A school district designates the fund's financial resources for a distinct purpose. The fund's purpose can be established by the state or federal government as well as the school district.

# DONNA INDEPENDENT SCHOOL DISTRICT

## Glossary of Commonly Used Terms

### *Fiscal Year 2013-14 Official Budget*

**Fund Balance-** Fund balance is the difference between governmental net assets and governmental liabilities. Governmental Fund financial statements breaks down the fund balance into 5 categories: Non-spendable, Restricted, Committed, Assigned, and Unassigned Fund Balance.

**Object-** This a 4 digit code used for both revenues and expenditures to identify the nature and object of an account, transaction, or source.

**PEIMS-** 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.

**TEAMS-** Total Education Administrative Management Solution (TEAMS) is the information system software that is used district wide at Donna ISD.

**Texas Education Agency (TEA) -** The Texas Education Agency provides leadership, guidance, and resources to help schools meet the educational needs of all students. Located in Austin, Texas, TEA is the administrative unit for primary and secondary public education.

**Note: If you see a word or phrase in this budget book that you feel should be included in our glossary, please email our budget accountant:**

**Angelica Resendez  
aresendez@donnaisd.net**



## **Introductory Section**

*Donna ISD.....*

*Committed to Excellence*



# DONNA INDEPENDENT SCHOOL DISTRICT

## Board of Trustees For the Fiscal Year Ended August 31, 2013

The policy-making functions of the District lie with a seven-member Board of Trustees (the Board) composed of District residents, each of which is elected by the voters of the district for four-year staggered terms. Regular meetings are scheduled the second Tuesday of the month at 6:00 p.m. and are held in the Staff Development/Board Room of the Administrative building. Special called meetings, committee meetings and workshop sessions are scheduled as needed and announced to the public in compliance with public notice requirements.



Ernesto Lugo  
Place 1  
President



Michael Flores, M.D.  
Place 3  
Vice-President



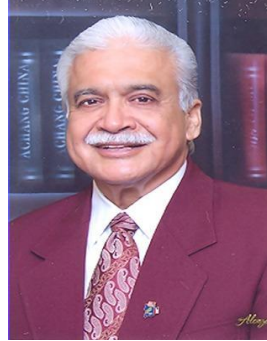
Nick Castillo  
Place 4  
Secretary



Reynaldo Alegria  
Place 5  
Trustee



Efren Cenicerros  
Place 7  
Trustee

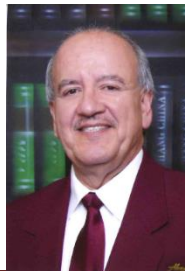


Alfredo Lugo  
Place 2  
Trustee



Angel Magallanes  
Place 6  
Trustee

## Superintendent of Schools



Mr. Roberto F. Lored  
Superintendent of Schools  
September 19, 2007 to Present

# DONNA INDEPENDENT SCHOOL DISTRICT

## PRINCIPAL OFFICIALS, CONSULTANTS & ADVISORS

### ELECTED OFFICIALS FOR THE YEAR ENDED AUGUST 31, 2013

| <u>Board of Trustees</u>                | <u>Length of Service</u> | <u>Term Expires</u> | <u>Occupation</u>            |
|---|--------------------------|---------------------|------------------------------|
| Ernesto Lugo,<br>President              | 4 Years                  | Nov. 2016           | Owner,<br>Home Health Agency |
| Michael Flores, M.D.,<br>Vice-President | 4 Years                  | Nov. 2016           | Physician                    |
| Nick Castillo,<br>Secretary             | 4 Years                  | Nov. 2016           | Head Start Employee          |
| Reynaldo Alegria,<br>Trustee            | 2 Years                  | Nov. 2014           | Sales                        |
| Efren Cenicerros,<br>Trustee            | 2 Years                  | Nov. 2014           | Retired Educator/Coach       |
| Alfredo Lugo,<br>Trustee                | 15 Years                 | Nov. 2016           | Risk Management Director     |
| Angel Magallanes,<br>Trustee            | 2 Years                  | Nov. 2014           | Social Studies Coordinator   |

### ADMINISTRATIVE OFFICIALS

| <u>Official</u>          | <u>Position</u>                                  | <u>Length of Service</u> |
|--------------------------|--|--------------------------|
| Mr. Roberto F. Loreda    | Superintendent of Schools                        | 6 Years                  |
| Mr. Jesus Rene Reyna     | Deputy Superintendent                            | 8 Years                  |
| Mr. Fernando Castillo    | Assistant Superintendent<br>for Support Services | 27 Years                 |
| Mrs. Velma Rangel        | Assistant Superintendent<br>for Instruction      | 23 Years                 |
| Mrs. Debbie S. Rodriguez | Assistant Superintendent<br>for Human Resources  | 16 Years                 |
| Mr. David Robledo        | Chief Financial Officer                          | 6 Years                  |

### CONSULTANTS & ADVISORS

Financial Advisors .....Estrada-Hinojosa & Company, Inc., Dallas and San Antonio, Texas  
 Bond Counsel .....Ramirez & Guerrero, L.L.P., San Juan, Texas  
 General Counsel .....Guerra & Farrah Attorneys-at-Law, Houston, Texas  
 Independent Auditors .....Pattillo, Brown & Hill, L.L.P., Brownsville, Texas

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## Donna Independent School District

116 North 10th Street \* Donna, Texas 78537  
Telephone (956) 461-4320 \* Fax (956) 464-1636

“Creating Opportunities for Success”

January 17, 2014

**Board of Trustees**  
**Donna Independent School District**  
**116 North 10<sup>th</sup> Street**  
**Donna, Texas 78537**

Dear Mr. Lugo, Board of Trustees, and the Citizens:

We are pleased to present the Donna Independent School District’s 2013-2014 budget document to the Board of Trustees and the Donna community. The primary purpose of this document is to provide useful information concerning the past, current and projected financial status of the District, in order to facilitate financial decisions that support the educational goals of the District. This budget document and the year-end Comprehensive Annual Financial Report (CAFR) are the primary vehicles used to present the financial plan and the results of operations of the District.

The information included in the budget document is structured to meet the requirements of the *Pathway* to the Meritorious Budget Award (MBA) of the Association of School Business Officials International (ASBO). To receive this award, an entity must publish a budget document that meets a number of specific program criteria and serves as a policy document, a financial plan, an operations guide, and a communications device. This award is valid for a period of only one year.

While this award will be a great accomplishment for the District, our most important concern in the presentation of the budget data is to improve the quality of information provided to our community concerning the District's financial plan for the educational programs and services for the 2013-2014 fiscal year.

Sincerely,

Mr. Jesus René Reyna,  
Interim Superintendent

Mr. David Robledo  
Chief Financial Officer

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**Donna Independent School District  
Fiscal Year 2013-2014  
Executive Summary**

**Budget Introduction**

The following document represents the financial plan for Donna Independent School District for the 2013-14 fiscal year. This budget provides the financial resources necessary to offer a competitive compensation package to our employees, maintain and grow a healthy fund balance and provide the funds necessary to support our twenty-two existing campuses, which includes our newest campus, Donna North High School.

This budget document is organized into the following major sections:



**Introductory Section** – Introduces the reader to the document as a whole. This section highlights and summarizes important information contained in the budget. Users rely on this section to get an overview – a snapshot of the information found in the remainder of the document.

**Organizational Section** – Provides the context and framework within which the budget is developed and managed. This framework includes the District’s mission statement and goals, organizational and financial structure, as well as the financial policies and procedures that regulate the development and administration of the budget.

**Financial Section** – Contains the financial schedules that present the adopted budgets for the District and comparisons to the previous year.

## Mission Statement and Strategic Goals

Federal, state and local guidelines guide the budget development process. As part of the budget development process the Board of Trustees and Administration reviewed the District's Mission Statement, Vision, Core Values, and Strategic Goals.



### *Mission Statement*

The mission of the District is to ensure academic excellence for all students through a rigorous and supportive learning environment that provides a quality education in accordance with state and national standards.

### *Strategic Goals*

The overall goals for the Donna Independent School District which guide the preparation of this year's budget are as follows:

- I. Donna ISD students will achieve academic success in all facets of their education through relevant, rigorous, and aligned curriculum.
- II. Donna ISD will provide students and all stakeholders with a safe and nurturing school environment that supports academic success.
- III. Donna ISD will follow sound fiscal and managerial practices to provide a highly qualified staff, appropriate resources, technology, and well-maintained facilities to promote increased student achievement.
- IV. Donna ISD will collaborate with parents, community members, and staff to promote continuous success for all students through an effective planning and advisory process.

## The Budget Process and Significant Changes

### The Planning Cycle

The budget process covers the entire financial cycle starting with budget planning and ending with the audited financial statements. The seven steps are:

- |                                  |                         |
|----------------------------------|-------------------------|
| ➤ Budget Planning                | January – February 2013 |
| ➤ Budget Preparation             | January – August 2013   |
| ➤ Board of Trustee Budget Review | April – August 2013     |
| ➤ Budget Adoption                | August 2013             |
| ➤ Tax Rate Adoption              | August 2013             |
| ➤ Budget Amendments              | Monthly 2013-2014       |
| ➤ Audited Financial Statements   | December 2014           |



### Budget Planning

The District budget process is instructionally driven. District budget planning begins with the core budget committee team which consists of Mr. Jesus Rene Reyna, Deputy Superintendent, Mr. David Robledo, Chief Financial Officer, Mrs. Stephanie De Los Santos, Finance Supervisor, and Ms. Angelica Resendez, Budget Accountant. The team prepares the budget calendar, enrollment/average daily attendance (ADA) projections, and revenue projections. These enrollment/ADA forecasts are used extensively during the budget development stage to determine campus allocations and staffing ratios.

### Budget Preparation

Budget Preparation begins with a meeting of the Board Standing Budget Committee to seek direction for next year's budget. Later, a kick-off budget committee meeting takes place to further develop next year's budget, goals, initiatives, and other major items. Several meetings with the budget committee will occur throughout the budget preparation period on special topics of the budget. The budget committee consists of the core budget committee team, the superintendent's cabinet, various principals, directors, and teachers. Once key budget assumptions, preliminary revenue projections, and allocations have been made, the budget worksheets are distributed. The District utilizes the TEAMS software to allow for on-line budget preparation instead of strictly paper submissions. Therefore, annual software training is provided. These small group training sessions with principals and program directors will occur to assist with the budget data entry process and will allow for specific campus/department questions to be answered.

The District uses site-based budgeting to enhance the ability of principals to serve as effective instructional leaders. Site-based budgeting places the principal at the center of the budget preparation process. In addition, campuses prepare an annual Campus Improvement Plan which is integrated into the budget process.

The Campus Budget Worksheet reflects the initial campus funding allocations. These allocations address equity issues between campuses. The initial campus funding allocation is based on projected ADA. These funds are allocated to campus programs by the Principal per the Campus Improvement Plan. Each campus receives a basic allotment and a federal programs allotment per student to be used for supplies, materials, equipment, staff development, and other appropriate instructional costs.



Budgets for non-campus units are developed by department heads and reviewed by the Budget Committee.

Payroll budgets are developed by the human resources department utilizing established staffing guidelines. Personnel units are allocated to each campus based on student enrollment following state mandated ratios, as applicable. Non-campus personnel units are evaluated by each departmental director and the core budget committee team. Additional personnel unit requests are evaluated by the human resources department and by the core budget committee team.

After the completed campus and program budget packages have been returned, the core budget committee reviews them in detail. The review focuses on instructional needs and includes discussions on the reallocation of existing funds as well as any additional funding requests from the campuses and departments.

After extensive review, analysis and discussion, recommendations are presented to the Board of Trustees.

### **Board of Trustee Budget Review**

The Board of Trustees regularly receives budget updates that include revisions to the preliminary budget, the compensation plan, and the capital projects/capital improvement plan.

### **Budget Adoption**

Once the District receives preliminary property value information from the Hidalgo County Appraisal District (HCAD) the Board is asked to approve the budget. The required legal notice for the FY 2013 – 2014 Budget was published on August 8, 2013. The Board of Trustees held

the public hearing budget on August 20, 2013 and adopted the budget on August 27, 2013. In addition, the District's compensation plan for all staff was adopted on the same day.

### **Tax Rate Adoption**

Historically, HCAD certifies all District property. After receiving its certified property value rolls, the Hidalgo County Tax Office and the District's Finance & Business Office calculates the effective and rollback tax rate in early August. The required legal notice of the District's effective and roll-back tax rates was published on August 8, 2013. The Board of Trustees held the public hearing on the proposed tax rate on August 20, 2013 and adopted the tax rate on August 27, 2013.

### **Budget Amendments**

Initial campus budget allocations are based on projected ADA and are modified after the first semester of the school year. Budget amendments, if necessary, are taken to the Board monthly for consideration and approval. The final amended budget for the year ending August 31, 2013, was submitted at the August 27, 2013, board meeting. It reflects all amendments previously approved by the Board of Trustees plus any final amendments. The final amended budget for the year ending August 31, 2013, will be used by the district's external auditors in compiling the annual financial statements.

### **Audited Financial Statements**

The final step in the budget cycle is the approval of the audited financial statements. This document includes budget to actual comparisons and highlights the District's ability to manage our \$165 million governmental funds budget. Audited financial statements are scheduled for review and approval by the Board on December 17, 2013.

### ***FY 2013-2014 Budget Goals, Assumptions, Priorities, and Risks***

#### ***Budget Goals***

To adopt a budget that is both consistent with Donna ISD's mission and District goals, to ensure and maintain a healthy fund balance, to provide an adequate and competitive employee compensation plan, to achieve adequate staffing ratios, and to consider plans for a new elementary school.

This year's budget season began when the core budget committee developed District's goals and assumptions for the 2014 budget in February and March 2013. The budget committee met in April 2013 to discuss budget



priorities for the coming year. These priorities were used to build the District's 2013-2014 budget. Board supported goals, assumptions and priorities are as follows:

### ***Budget Assumptions***

Donna ISD's 2014 budget will be responsive to legislative action, voter preferences, and:

- Be balanced with access to reserve funds if necessary;
- Maintain certain cost cutting measures;
- Project a conservative taxable property valuations for revenue projections;
- Manage the District's resources efficiently and effectively; and,
- Maintain an adequate fund balance.

### ***Accounting for School District Operations***

School districts in Texas manage their multi-million dollar budgets through funds that have been designated to manage school operations. These funds are separated into distinct categories. The major category of funds is called Governmental Funds. These funds represent the core educational activities of the district.

Districts also collect costs in a series of proprietary funds that capture such diverse items as the district's self-funded employee insurance programs. One unique feature of school funding is that the Board of Trustees is only obligated to approve budgets for three sets of funds. Budgets for the General Fund, Debt Service Funds, and Food Service Fund must be included in the official district budget and approved by the Board. These budgets are approved on a fiscal year basis from September 1st through August 31st.



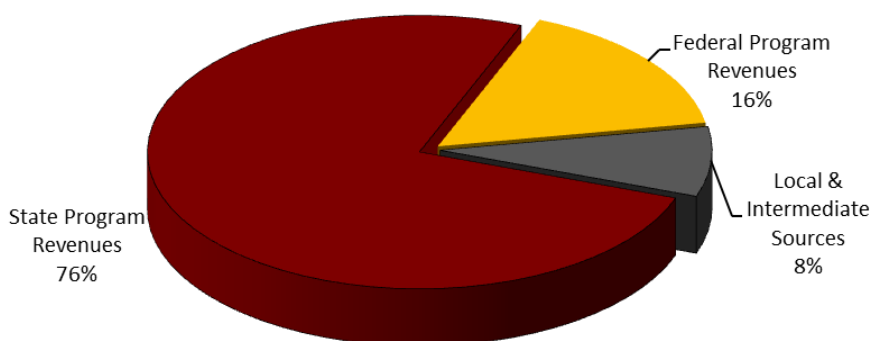
## Governmental Funds

The following presents a comparison of revenues and expenditures for all Governmental Funds. Governmental Funds include the General, Special Revenue, Debt Service, and Capital Projects Funds. Most of the District's basic services are included in Governmental Funds. The General Fund is the engine that drives all District activity. This fund pays teacher salaries, utilities, maintenance and other routine District activities. The Debt Service Fund is established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. Special revenue funds account for resources restricted to, or designated for, specific purposes by the District or a grantor in a special revenue fund. Finally, Capital Project Funds are used to build and maintain facilities and purchase buses.

## Governmental Funds Revenues

The General Fund is the largest single governmental fund and comprises 86% of total revenue. Revenues in this fund class are mainly derived from State funding under the reform legislation of 2006. However, a large share of revenue is also derived from the general taxing authority of the District. The State's funding as a percentage of total Governmental Fund revenue is now 75.6%. This is a direct result of the Reform Legislation passed in 2006 which lowered local property taxes and substituted a new business tax to raise the revenue needed to operate schools. Districts receive state aid based on a complex funding formula. The result of this formula is that the higher a District's property wealth (assessed property value) per student, the less state funding the district receives. Student attendance is reported to the state through the PEIMS system and is used to determine the district's state funding. The District will see higher overall revenue due to additional state revenue it receives from increased enrollment and attendance.

**Governmental Fund Revenues by Source  
FY 2014**



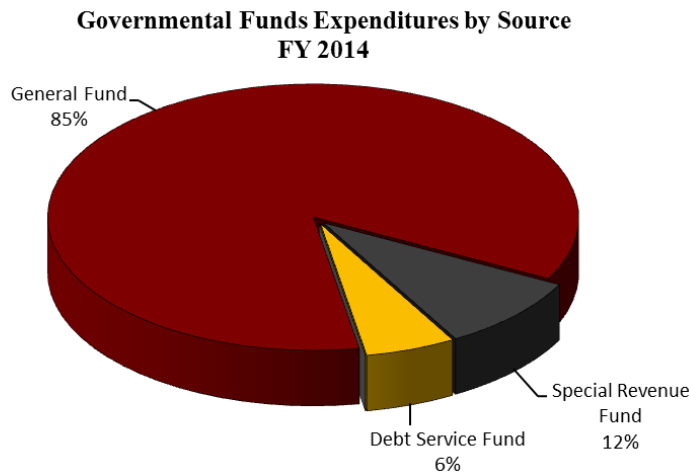
| Description                  | Audited               |                       |                       |                       | Budgeted              |
|------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                              | FY 2010               | FY 2011               | FY 2012               | FY2013                | FY2014                |
| Revenues:                    |                       |                       |                       |                       |                       |
| Local & Intermediate Sources | \$ 13,321,477         | \$ 13,475,416         | \$ 14,196,393         | \$ 14,541,999         | \$ 13,653,000         |
| State Program Revenues       | 118,244,442           | 119,688,028           | 114,753,645           | 120,240,885           | 125,240,602           |
| Federal Program Revenues     | 42,672,836            | 44,177,334            | 33,911,900            | 30,305,390            | 26,686,368            |
| <b>Total Revenues</b>        | <b>\$ 174,238,755</b> | <b>\$ 177,340,778</b> | <b>\$ 162,861,938</b> | <b>\$ 165,088,274</b> | <b>\$ 165,579,970</b> |

**Major Sources of Funds**

District programs are primarily supported by state program revenues of \$125.2 million. Included in this state funding are \$103 million from the Foundation School Program, \$7.2 million from the Instructional Facilities Allotment, and \$8 million for Teacher Retirement / TRS Care-On-Behalf Payments. Federal program revenues are the next largest revenue source at \$26.6 million. These funds include \$10.7 million for the District’s food service program and \$14.7 million of federal grants that are distributed by TEA. Local real and personal property taxes are the smallest revenue source. Local taxes are budgeted at \$11.2 million which is divided between the General Fund at \$10.4 million and the Debt Service Fund at \$800 thousand. This is a fairly consistent forecast in comparison with last year’s total tax collection of \$11.3 million.

**Governmental Funds Expenditures**

General Fund expenditures dominate Governmental Fund activities as well with 85.4% of the total. However, since the District has been experiencing enrollment growth in the past, the Capital Projects Fund and Debt Service Fund continue to have a major impact on expenditures. The challenge of moderate enrollment gains can only be met with new facilities. These facilities are funded through taxpayer authorized bond issues that are managed through the Capital Project Funds. The District experienced this growth too slow last school year and will continue for the new future.



| Description               | Audited               |                       |                       |                       | Budgeted              |
|---------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                           | FY 2010               | FY 2011               | FY 2012               | 2013                  | 2014                  |
| Expenditures:             |                       |                       |                       |                       |                       |
| General Fund              | \$ 114,338,882        | \$ 112,835,006        | \$ 125,212,435        | \$ 135,452,557        | \$ 141,479,326        |
| Special Revenue Fund      | 37,225,531            | 37,420,986            | 22,638,381            | 17,820,265            | 15,009,814            |
| Debt Service Fund         | 6,293,124             | 9,397,135             | 9,358,597             | 9,345,983             | 9,090,830             |
| Capital Projects Fund     | 428,000               | 5,555,491             | 29,883,930            | 23,953,733            | -                     |
| <b>Total Expenditures</b> | <b>\$ 158,285,537</b> | <b>\$ 165,208,618</b> | <b>\$ 187,093,343</b> | <b>\$ 186,572,538</b> | <b>\$ 165,579,970</b> |



**Major Uses of Funds**

The Board places a high priority on funding direct classroom instruction. Donna ISD spends 51.9% of its General Fund budget on instruction and related services. These dollars go directly



into the classroom and pay for teacher salaries and classroom/campus supplies. Almost seventy-three per cent (72.7%) of spending in the General Fund is for personnel. As a result, a large part of this budget goes toward personnel and benefits associated with our classroom teachers. The second largest expenditure class in Governmental Funds for the 2013 fiscal year was capital outlay because the District was completing the construction of Donna North High School. For the 2014 fiscal year, the second largest budgeted expenditure is student support services at 17.8%.

**General Fund Revenues**

General Fund revenue is budgeted to increase \$3.9 million or 2.8% from 2012-13 actual revenue. The following table provides a comparison of revenues by source for the 2012-2013 and the 2013-14 budget years.

Other critical estimates necessary to develop the General Fund revenue budgets are property values and student enrollment. Property values impact both state and local revenue estimates since the revenue received from the state is dependent upon the amount that can be raised locally. Student enrollment projections influence state revenue estimates, staffing decisions, per pupil allocations, facility needs, debt issuance requirements and many other budgetary decisions.

All revenues and expenditures that are not required to be accounted for in other funds are included here. Since this is a budgeted fund, any fund balances are considered resources available for current operations. Fund balances may be appropriated by the Board of Trustees to implement its responsibilities.

**General Operating Fund Revenue Comparison**

|   | <b>Audited<br/>2012-2013</b> | <b>Budgeted<br/>2013-2014</b> | <b>Increase<br/>(Decrease)</b> | <b>%<br/>Change</b> |
|---|------------------------------|-------------------------------|--------------------------------|---------------------|
| <b>Local &amp; Intermediate Sources</b> | \$ 13,510,757                | \$ 12,719,000                 | \$ (791,757)                   | -5.86%              |
| <b>State Program Revenue</b>            | 112,243,915                  | 118,040,602                   | 5,796,687                      | 5.16%               |
| <b>Federal Program Revenue</b>          | 12,830,536                   | 11,676,554                    | (1,153,982)                    | -8.99%              |
|   | <u>\$ 138,585,208</u>        | <u>\$ 142,436,156</u>         | <u>\$ 3,850,948</u>            | 2.78%               |

**Expenditures**

General Fund expenditures are currently budgeted to increase \$6 million or 4.5% from 2012-13 actual expenditures. The education of students is labor intensive. This is reflected in the large portion of the District's budget for payroll costs. The composition of the District's workforce is determined by the staffing policies and guidelines of the Board of Trustees on the basis of projected student enrollment and curriculum requirements. For the 2013–2014 fiscal year, payroll costs are budgeted at \$111,099,342 (78.5%) percent of the General Fund operating expenditures.

**General Operating Fund Expenditure Comparison**

|   | <b>Audited<br/>2012-2013</b> | <b>Budgeted<br/>2013-2014</b> | <b>Increase<br/>(Decrease)</b> | <b>%<br/>Change</b> |
|---|------------------------------|-------------------------------|--------------------------------|---------------------|
| <b>Payroll Expense</b>                      | \$ 98,517,532                | \$ 111,099,342                | \$ 12,581,810                  | 12.77%              |
| <b>Professional &amp; Contract Services</b> | 7,994,813                    | 9,391,339                     | 1,396,526                      | 17.47%              |
| <b>Supplies &amp; Materials</b>             | 15,533,692                   | 12,098,583                    | (3,435,109)                    | -22.11%             |
| <b>Other Operating Expense</b>              | 3,866,442                    | 4,352,577                     | 486,135                        | 12.57%              |
| <b>Debt Service</b>                         | 2,050,367                    | 1,070,521                     | (979,846)                      | -47.79%             |
| <b>Capital Outlay</b>                       | 7,489,711                    | 3,466,964                     | (4,022,747)                    | -53.71%             |
|   | <u>\$ 135,452,557</u>        | <u>\$ 141,479,326</u>         | <u>\$ 6,026,769</u>            | 4.45%               |

The decrease in non-payroll related expenditures for 2013-14 is approximately \$6.5 million. This difference represents the increased expenditures made in the 2013 fiscal year for the furnishing of Donna North High School and related programs such as athletics, fine arts, and career and technology programs. Additional cuts were made to professional and contract service expenses in the 2014 budget because of the implementation of a new curriculum and instruction plan.

The per pupil allocation to campuses for the 2013-14 fiscal year are as follows:

| Campus Type        | <b>Basic Allotment<br/>(per student)</b> |
|--------------------|--|
| High Schools       | \$175                                    |
| Middle Schools     | \$125                                    |
| Elementary Schools | \$100                                    |



## Fund Balance

Over the last three years the Board of Trustees has placed a very high priority on building the District's General Fund fund balance to an acceptable level. As a result of this focus, the District ended FY 2013 with a total fund balance of \$47.5 million which includes an undesignated, unreserved fund balance of \$44.4 million. This will ensure the District has adequate undesignated reserves to meet contingencies.

## Food Service Fund

Food Service fund revenue is budgeted to have a small increase for inflation as compared to 2012-13 projected actual revenue. The following table provides a comparison of revenues by source for the current year and the 2013-14 budget year:

### Food Service Fund Revenue Comparison

|   | <b>Audited</b>       | <b>Budgeted</b>      | <b>Increase</b>   | <b>%</b>      |
|---|----------------------|----------------------|-------------------|---------------|
|   | <b>2012-2013</b>     | <b>2013-2014</b>     | <b>(Decrease)</b> | <b>Change</b> |
| <b>Local &amp; Intermediate Sources</b> | \$ 287,441           | \$ 338,000           | \$ 50,559         | 17.59%        |
| <b>State Program Revenue</b>            | 67,801               | 102,000              | 34,199            | 50.44%        |
| <b>Federal Program Revenue</b>          | 10,727,354           | 10,771,554           | 44,200            | 0.41%         |
|   | <u>\$ 11,082,596</u> | <u>\$ 11,211,554</u> | <u>\$ 128,958</u> | 1.16%         |

The federal revenue is received from the U.S. Department of Agriculture under the National School Lunch Program and the School Breakfast Program. Local revenue is generated primarily from staff payments for meals. Food Service fund expenditures are budgeted at \$11,211,554, an increase of \$158 thousand, or 1.4% over 2012-13 actual expenditures. This increase is due to increases in food cost due to new federal requirements related to the menu served to students (increases in fruit and vegetables at all meals). Food service fund balance is limited to three months of average food service operations expenditures. At the end of 2012-13, the fund balance of \$2.9 million, or approximately two months. The 2013-14 budget is planned so that all revenues are expended in order to prevent any addition to the current fund balance at the end of the fiscal year.

## Special Revenue Funds

Special Revenue funds are received from a variety of sources and are used for an assortment of educational activities. The District anticipates accounting for twelve special revenue funds in fiscal year 2013-14, a decrease from the 2013 fiscal year, mainly due to the sequestration of funds at the federal level.

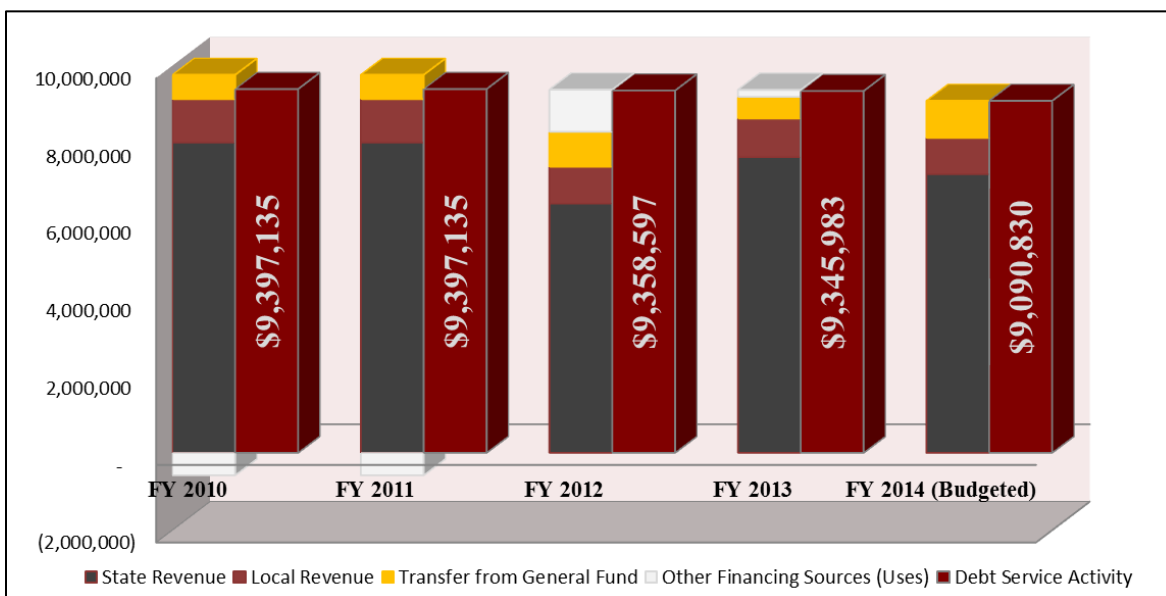
### Special Revenue Fund Revenue Comparison

|   | <b>Audited</b>       | <b>Budgeted</b>      | <b>Increase</b>       | <b>%</b>      |
|---|----------------------|----------------------|-----------------------|---------------|
|   | <b>2012-2013</b>     | <b>2013-2014</b>     | <b>(Decrease)</b>     | <b>Change</b> |
| <b>Local &amp; Intermediate Sources</b> | \$ 18,453            | \$ 30,670            | \$ 12,217             | 66.21%        |
| <b>State Program Revenue</b>            | 358,512              | 8,640                | (349,872)             | -97.59%       |
| <b>Federal Program Revenue</b>          | 17,474,855           | 15,009,814           | (2,465,041)           | -14.11%       |
|   | <u>\$ 17,851,820</u> | <u>\$ 15,049,124</u> | <u>\$ (2,802,696)</u> | -15.70%       |

Special revenue funds are classified as federal, state, or local, and are expended according to the requirements of the grantor or local policy. The largest group is federal entitlement programs that are applied for annually through the TEA. The federal program budget for 2013-14 is \$15,049,124. State funded special revenues for 2012-13 are projected to be \$8,640. The Board of Trustees is not required to approve special revenue funds.

### Debt Service Funds

These funds are established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. Debt Service payments for the 2013 fiscal year are budgeted at \$9 million. The graph below highlights the stability in Debt Service Fund revenue over the last five years. The District has taken advantage of low interest rates to refinance debt and maintain a low, steady debt rate of twenty-six cents.



In April 2013, the District issued Unlimited Tax Refunding Bonds, Series 2013 totaling \$7,150,000. The bonds were issued at a premium of \$542,817 and an underwriter’s discount of \$49,549.50. The cost of issuance was \$126,602 and other fees totaled \$1,550, which left \$7,515,114 to be deposited to escrow.

As of August 31, 2013 the fund balance is approximately \$0.7 million, or 7.8% of annual debt service payments. The shortages in this fund are supplemented with funds from the General Fund, as illustrated in the graph above.

### Capital Projects Funds

Over the past ten years, Donna ISD has experienced a 31% student enrollment growth rate. New communities and neighborhoods have been built in previously sparsely populated areas of the District resulting in the need for new school facilities at the elementary and secondary level. In the past ten years the District has added five elementary campuses and two special need campuses. Most recently, the District has completed the construction of a second high school, which allowed room to convert a 9<sup>th</sup> grade campus to a fourth middle school.

## Proprietary Funds

Proprietary funds include those funds for which the District charges customers a fee. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

### Internal Service Funds

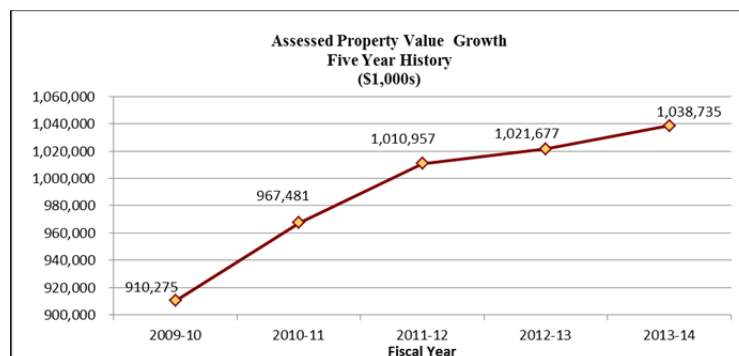
Internal Service Funds include activities in the District's employee self-funded insurance programs. This includes the Health Insurance Fund and Worker's Compensation Fund which were created to help manage fluctuating costs in insurance premiums. In addition, the district also manages a Print Shop and a Beverage Fund. Over \$10 million in revenue is generated by all of these funds.

| Total Proprietary Fund Revenues   |                      |                      |                      |                      |                     |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| Description                       | Audited              |                      |                      |                      | Budget              |
|                                   | FY 2010              | FY 2011              | FY 2012              | FY 2013              | FY 2014             |
| Print Shop                        | \$ 246,180           | \$ 221,552           | \$ 101,108           | \$ 85,230            | \$ 80,000           |
| Insurance Fund                    | 10,471,978           | 11,468,603           | 9,517,753            | 9,860,406            | 9,612,000           |
| Beverage Fund                     | -                    | -                    | 1,712                | 15,391               | -                   |
| Computer Operations Fund          | 24,062               | 9,412                | -                    | -                    | 30,880              |
| Workmens' Compensation Fund       | 1,244,235            | 1,196,577            | 436,110              | 166,461              | 118,000             |
| <b>Total Proprietary Revenues</b> | <b>\$ 11,986,455</b> | <b>\$ 12,896,144</b> | <b>\$ 10,056,683</b> | <b>\$ 10,127,488</b> | <b>\$ 9,840,880</b> |

| Total Proprietary Fund Expenditures   |                      |                      |                      |                      |                      |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Description                           | Audited              |                      |                      |                      | Budget               |
|                                       | FY 2010              | FY 2011              | FY 2012              | FY 2013              | FY 2014              |
| Print Shop                            | \$ 231,370           | \$ 138,772           | \$ 130,706           | \$ 100,792           | \$ 141,646           |
| Insurance Fund                        | 10,168,165           | 11,203,742           | 10,533,973           | 12,181,299           | 10,400,000           |
| Beverage Fund                         | -                    | -                    | -                    | -                    | -                    |
| Computer Operations Fund              | -                    | -                    | -                    | -                    | -                    |
| Workmens' Compensation Fund           | 946,084              | 1,066,645            | 703,603              | 948,123              | 800,100              |
| <b>Total Proprietary Expenditures</b> | <b>\$ 11,345,619</b> | <b>\$ 12,409,159</b> | <b>\$ 11,368,282</b> | <b>\$ 13,230,214</b> | <b>\$ 11,341,746</b> |

### Analysis of Local Taxes

All properties are assessed at 100% of market value as of January 1, 2013. The Certified Net Taxable Appraisal Totals were used for the August 27th tax rate adoption. The District's fiscal year runs from September 1st to August 31st. Therefore, our projected 2013 Certified Net



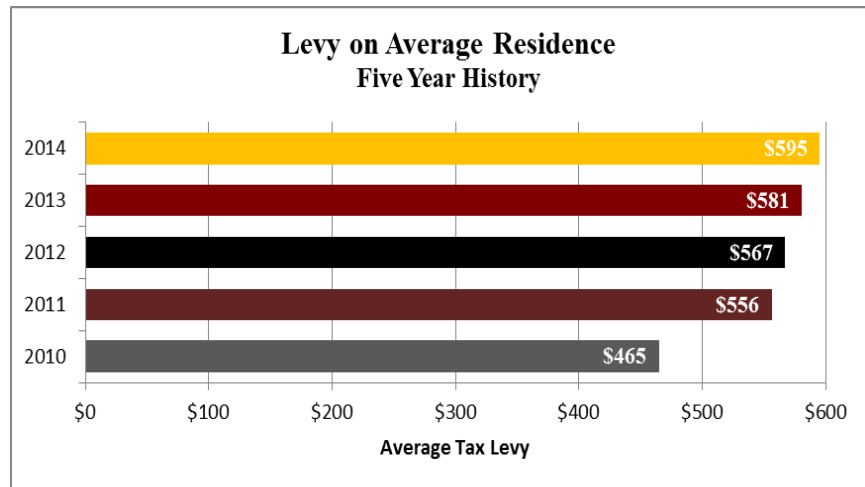
Taxable Appraisal Totals, which were \$1,038,735,273, were used for the August 27th budget adoption. This equates to an average growth rate in assessed values of 1.5% per year over the last four years.

The Texas Comptroller of Public Accounts annually certifies the final property values on or before July 1st of the following year. The

Commissioner of Education uses the final values in the process of allocating state funds to school districts.

### Levy on the Average Residence

Donna's tax base is heavily weighted towards residential property. Almost ten percent (9.29%) of our total general fund is derived from local property taxes. Homeowners fund a minority of the costs of operating our schools. Donna's tax rate increased eight cents in 2011, but has held the same tax rate of \$1.0825 for the past four years. Since our tax rate increase, the levy on the average residence has been increasing an average of 2% each year. This is due to a slight increase in local property values. The chart to the right highlights this movement over the last five years.



### Distribution of Tax Base



Donna is literally a district of roof-tops. Our community is primarily residential in nature. Almost \$800 million in value is residential in nature (47.4% of total market value). This is up slightly from three years ago when values were just surpassing \$700 million in 2010. The next highest distribution is in agricultural property at over \$300 million (19.2% of total market value). This property value is also in line with the growth of residential property values. The District also has a large portion of its property in the form of acreage and plotted lots/tracts which are available for development. This indicates that there is an abundance of land for future development. This raw land will eventually become land for new homes. As a result, we believe that the distribution of our tax base will continue to be heavily weighted in residential property.

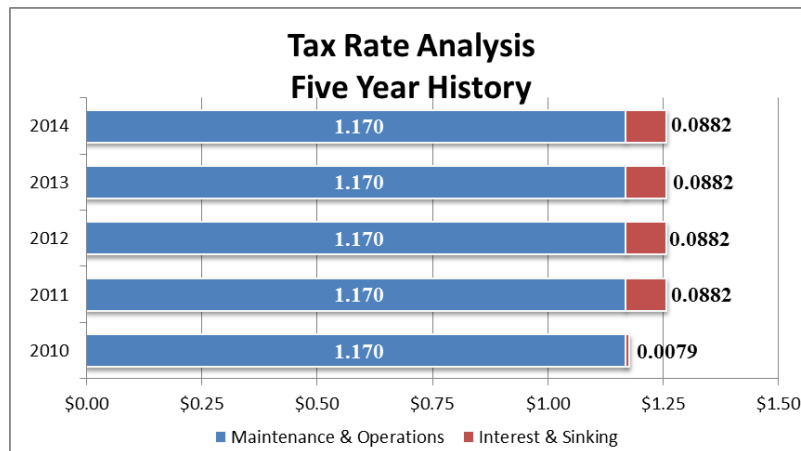
### Top Twenty Taxpayers

Donna's top taxpayers are heavily weighted towards industrial and commercial operations. It should also be noted that even with a heavy weight of industrial and commercial taxpayers in our top twenty, the top taxpayer, AEP Texas Central, accounts for less than one percent (.85%) of our total tax base. Our next largest taxpayer is Victoria Palms I, which is an RV park. They account for 0.73% of the tax base. Our twentieth largest taxpayer accounts for only 0.18% of our total tax base. This is evidence of Donna's dependence on residential taxpayers.

| <b>Donna Independent School District</b> |                     |  |      |  |
|--|---------------------|--|------|--|
| <b>Top Twenty Tax Payers</b>             |                     |  |      |  |
| Taxpayer                                 | Type of Business    | Tax Year 2013<br>Assessed<br>Valuation | Rank | Percentage of<br>Total Assessed<br>Valuation |
| AEP Texas Central Co                     | Electric Utility    | \$ 8,853,380                           | 1    | 0.85%  |
| Victoria Palms I LP                      | RV Park - Hotel     | 7,601,143                              | 2    | 0.73%  |
| Triple R Medical Facilities LTD          | Medical             | 4,068,257                              | 3    | 0.39%  |
| Tennessee Gas Pipeline                   | Oil & Gas           | 3,831,270                              | 4    | 0.37%  |
| Allied Waste North America Inc.          | Waste Disposal      | 3,419,856                              | 5    | 0.33%  |
| BH Hester Donna LLC                      | Distribution Center | 3,288,164                              | 6    | 0.32%  |
| Southwestern Bell Tele                   | Telephone Utility   | 3,260,250                              | 7    | 0.31%  |
| Dewbre Petroleum Corp                    | Oil & Gas           | 2,874,320                              | 8    | 0.28%  |
| Magic Valley Electric Co-Op              | Electric Utility    | 2,616,160                              | 9    | 0.25%  |
| P&P Properties, Ltd.                     | Property Management | 2,586,377                              | 17   | 0.25%  |
| Velmej Investments LLC                   | Property Management | 2,470,041                              | 10   | 0.24%  |
| Bland Farms LLC                          | Agriculture         | 2,240,527                              | 11   | 0.22%  |
| W Silver Recycling Inc.                  | Waste Disposal      | 2,207,173                              | 12   | 0.21%  |
| D&J Investments Ltd.                     | Property Management | 2,193,063                              | 13   | 0.21%  |
| H E Butt Grocery Company                 | Retail              | 2,191,472                              | 14   | 0.21%  |
| Helena Chemical Corp.                    | Agriculture Supply  | 2,143,707                              | 15   | 0.21%  |
| Jedrzejewski Ann                         | Property Management | 2,130,668                              | 16   | 0.21%  |
| Palm Shadows Resort LLC                  | RV Park - Hotel     | 2,077,642                              | 18   | 0.20%  |
| Victoria Palms II LLC                    | RV Park - Hotel     | 1,856,570                              | 19   | 0.18%  |
| Packaging Corp. of America               | Distribution Center | 1,841,647                              | 20   | 0.18%  |
| <b>Totals</b>                            |                     | <b>\$ 63,751,687</b>                   |      | <b>5.29%</b>                                 |

## Property Tax Rates

The Board of Trustees adopted tax rates on August 27th after giving appropriate public notice. School district tax rates consist of a Maintenance & Operations tax rate and an Interest & Sinking tax rate.



**Maintenance and Operations tax rate (M&O):** A local school district tax rate that raises revenue to be used to operate and maintain the district's schools. This rate is at \$1.17 per \$100 valuation.

**Interest and Sinking Tax (I&S):** A tax levied and money used by school districts to pay for voter approved bonded indebtedness, usually construction of facilities or other capital needs. This rate is at \$0.0882 per \$100 valuation. The total tax rate has increased by eight cents (\$0.08) over the last five years. The Maintenance and Operations tax rate has remained constant (\$1.17) over this period. The Interest and Sinking Fund tax rate has increased by five cents (\$0.05) over the last five years.

## Property Value

Based on the information received from Hidalgo County Appraisal District, we are currently projecting a \$13 million (or approximately 1.95%) increase in property values. This increase is generally attributable to commercial property (up 1.98%) and residential property continued to increase (up 1.69%).

## Tax Rate and Fund Balance Impact

The tax rate is calculated after determining the necessary level of expenditures to meet District educational goals and facility requirements and estimating State aid utilizing the funding formulas described above. As mandated in House Bill 1, the district tax rate was first compressed from \$1.66 to \$1.53 for 2006-07. In 2007-08, the tax rate was compressed to \$1.20 as required by H.B. 1. The general fund tax rate adopted by the Board for 2009-10 was \$1.17 which exceeded the rollback tax rate and required voter approval. The voters approved this rate at the election held on September 28, 2009. The general fund tax rate remains at \$1.17 for 2013-14. The District had an ending fund balance in the General Fund of \$47.4 million for the fiscal year ending August 31, 2013, after booking an increase of four thousand dollars for the fiscal year. The general fund balance at 2012-13 represents approximately 33.5% of the annual budgeted expenditures. It is essential for school districts to maintain adequate fund balance levels



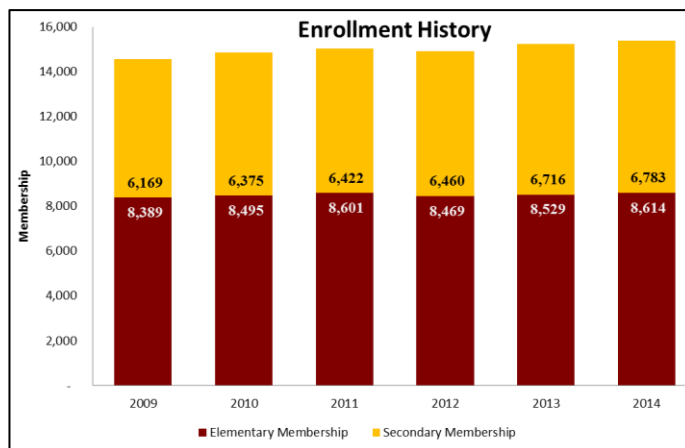
## Combined Tax Rate Impact

The District's tax rate consists of two separate components – a maintenance and operations rate (General Fund) and an interest and sinking rate (Debt service fund). Development of each of these components has been discussed above.

An overall increase of 6 cents was necessary to fund the 2003-04 budget and an increase of 10 cents was required in 2004-05 bringing the combined tax rate to \$1.66. The tax rate did not change in 2005-06. Following the mandates in House Bill 1, the 2006-07 adopted general fund tax rate was decreased by 13 cents and the debt service rate remained flat for 2006-07, resulting in a combined rate of \$1.53. After further compression of the maintenance and operations rate in 2007-08 to \$1.04, the combined rate decreased \$.33 for 2007-08 to \$1.20. The tax rate did not change in 2008-09. The tax rate was decreased to \$1.1779 (\$0.13 increase for general fund and \$0.1521 decrease for debt service) in 2009-10 after a successful rollback election on September 28, 2009. The tax rate remained constant for 2010-11, 2011-12, and 2012-13 at \$1.2582.

## Student Enrollment

The District experienced fairly significant increases in enrollment during the 2003-04 and 2004-05 – approximately 751-829 students per year. The rate of increase declined in 2006-11, to 458, 378, 663, 536, 314 and 143 students, respectively. However, during the 2011-12 fiscal year, the district enrollment decreased 98 and the 2011-12 enrollment count was 14,904.



Based on the trends seen during the last several fiscal years, we expect to see fairly flat enrollment levels for the next several years. The projection for 2012-13 was 14,904 – which reflects no increase over the 2011-12 fiscal year. Actual enrollment for 2012-13 was actually 15,276 or approximately 2.5% more than the prior year. Enrollment is projected at 15,542 for 2013-14, a slight increase from 2012-13.

## District-Wide Staffing

The District has experienced tremendous enrollment growth in the mid 2000's. In order to meet the challenges of additional enrollment, our teaching and support staff has grown as well. From 2003-2007, the District has added approximately 445 new positions to meet growth. Auxiliary support positions in maintenance, transportation and custodial services make up the vast majority

of these new positions with the District adding 176 new positions. The second largest growth areas involve teachers of 132 positions.

As Donna's enrollment continues to grow at a slower pace, the District evaluated its staffing levels. As a result, the District closed several vacant positions and reduced staff levels at the auxiliary departments. The total reduction of staff during the 2008-09 year is 190. As budgetary restraints occurred due to the state budget shortfall of 2011-2012 biennium, all non-teaching position vacancies will be evaluated to determine if the position's duties can be reassigned and the position eliminated.

### **Summary**

The 2013-14 budget was developed according to the goals and direction established by the Board of Trustees and the Superintendent. These goals are evident in all areas of the budget, as resources are allocated as necessary to meet the established criteria.

We appreciate the leadership and fiscal support provided by the Donna Independent School District Board of Trustees and the Donna community for development, implementation, and maintenance of an excellent educational program for the children of the District.

We have presented the challenges, opportunities, and high expectations of the Donna Independent School District. The Donna Independent School District Board of Trustees, administration, and staff are committed to making the Donna Independent School District one of



the top districts in the state. With a focus on high expectations, a common curriculum meeting the needs of all students, quality teachers, parental involvement, and the full utilization of facilities, the Donna Independent School District will meet this goal.

The Donna Independent School District has much to be proud of and is prepared to meet the challenges of the upcoming fiscal year and beyond. The Donna Board of Trustees is to be commended for their continued commitment to providing a quality school district for students and citizens in the Donna community.



## **Organizational Section**

*Donna ISD.....*

*Committed to Excellence*



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## GOVERNING BODY

The District is a political subdivision of the State of Texas and governed and operating as an independent school district under the laws thereof. The District is located entirely in Hidalgo County, Texas and serves a population of approximately 50,000 persons and provides services to the City of Donna and surrounding areas. The



District originally chartered by the State on or about 1919, now encompasses eighty-nine and a third square miles. The District's 23 campuses house approximately 15,000 students in grades K-12. The District reported student ethnicity in 2011 as 99.3% Hispanic, 0.6% White, and 0.1% African-American.

The Board has final control over local school matters limited only by the state legislature, the court system and by the will of its citizens as expressed in school Board elections and bond referendums. Board decisions are based on a majority vote of those present.

In general, the Board is responsible for adopting policy, employing and evaluating the Superintendent and overseeing the operations of the District and its schools. The Board is also responsible for setting the tax rate, adopting the annual budget along with periodic amendments, setting salary schedules, approving pay increases and serving as a board of appeals in personnel and student matters. The Board receives funding from local, state and federal source entities. This report contains all funds pertaining to the District. Serving without compensation, Board members establish the policies by which schools operate. In carrying out the task of setting policy, the board identifies needs and establishes priorities for the school system, allocates financial and human resources among the priority areas and evaluates school performance. The District's Superintendent of Schools and staff assist the Board with financial and administrative matters and oversee the day-to-day operations of the District.



### *Mission Statement*

The mission of the District is to ensure academic excellence for all students through a rigorous and supportive learning environment that provides a quality education in accordance with state and national standards.

### *District Vision*

We envision being an exemplary school district staffed with highly qualified individuals working collaboratively to graduate college-ready students who will be a powerful force for positive change in our community.

## *Strategic Goals*

The overall goals for the Donna Independent School District which guide the preparation of this year's budget are as follows:

- I. Donna ISD students will achieve academic success in all facets of their education through relevant, rigorous, and aligned curriculum.
- II. Donna ISD will provide students and all stakeholders with a safe and nurturing school environment that supports academic success.
- III. Donna ISD will follow sound fiscal and managerial practices to provide a highly qualified staff, appropriate resources, technology, and well-maintained facilities to promote increased student achievement.
- IV. Donna ISD will collaborate with parents, community members, and staff to promote continuous success for all students through an effective planning and advisory process.

Key strategies to help reach the District's overall goals are outlined in our District Improvement Plan(DIP). The DIP planning process begins by having each department develop Comprehensive Needs Assessments (CNA). Based on the CNA, each department designed initiatives to specifically build on strengths and address areas of need. The District Level Planning & Advisory Committee meets once a year to evaluate the District Improvement Plan (DIP) and to recommend changes. These suggestions are taken into consideration as the process of developing the next year's DIP. The major key initiatives, or strategies, developed for the 2014 academic year are:

**I. Implementation of a new curriculum and instruction plan.** The total budget cost for this curriculum plan is \$5.2 million. Strategies II, III, and IV are embedded in this curriculum plan.

**II. Induction of licensed professional counselors (LPC) at the elementary and middle school levels.** This initiative is included in the total cost of the curriculum plan in strategy I, The District is budgeting five LPCs for a total cost of \$310 thousand.

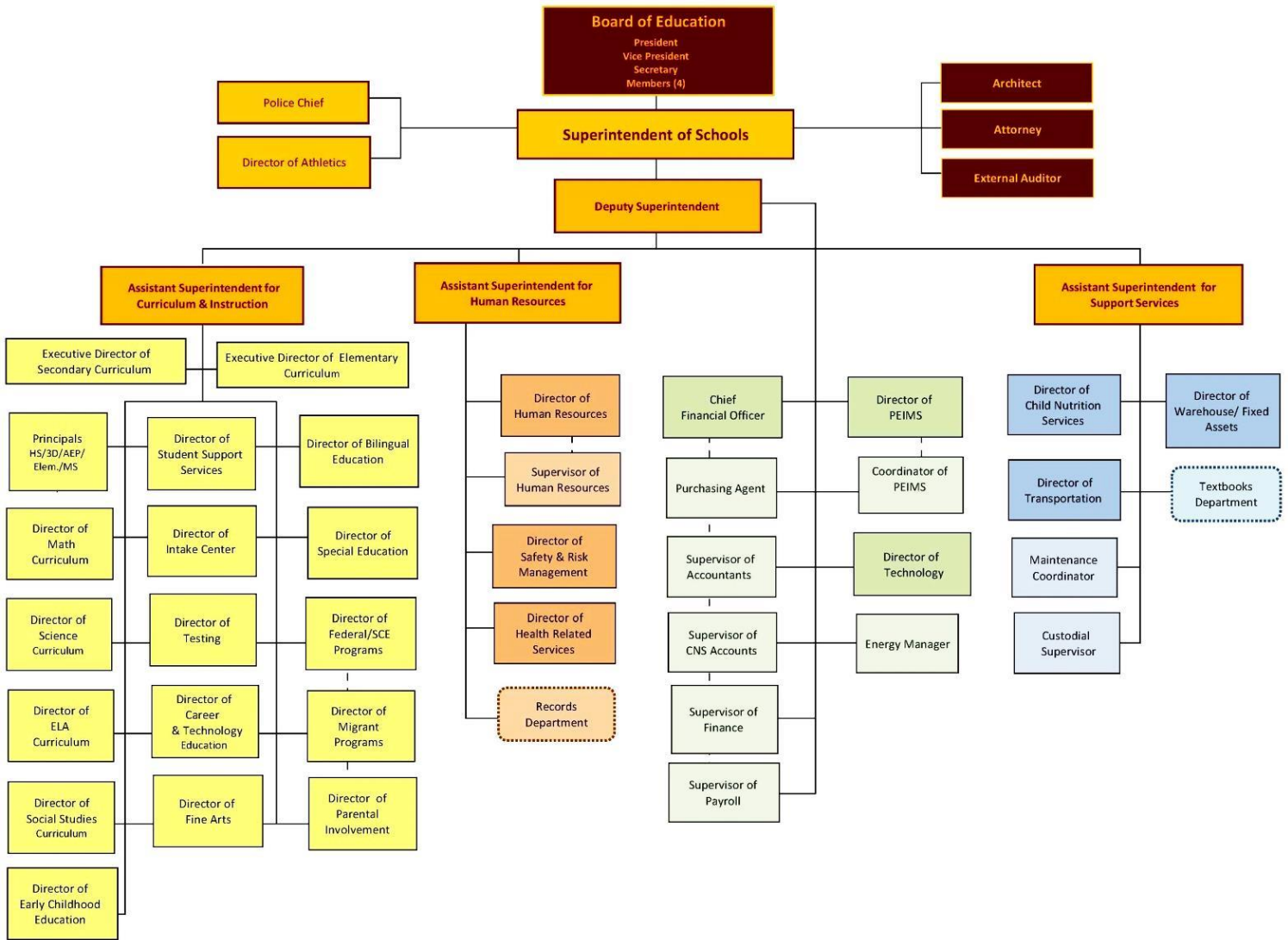
**III. Academic electives at the elementary level.** This is also included in the total cost of the curriculum plan in strategy I. The District is budgeting \$47 thousand for this initiative.

**IV. Guided reading in the elementary and middle school levels.** This strategy is included in the total cost of the curriculum plan in strategy I. The District is budgeting \$215 thousand for this initiative.

**V. English language proficiency standards implementation at all levels and content areas.**

**VI. Implementation of college and career readiness standards.**

# Donna Independent School District Organizational Chart



# DONNA INDEPENDENT SCHOOL DISTRICT

## Board of Trustees For the Fiscal Year Ended August 31, 2013

The policy-making functions of the District lie with a seven-member Board of Trustees (the Board) composed of District residents, each of which is elected by the voters of the district for four-year staggered terms. Regular meetings are scheduled the second Tuesday of the month at 6:00 p.m. and are held in the Staff Development/Board Room of the Administrative building. Special called meetings, committee meetings and workshop sessions are scheduled as needed and announced to the public in compliance with public notice requirements.



Ernesto Lugo  
Place 1  
President



Michael Flores, M.D.  
Place 3  
Vice-President



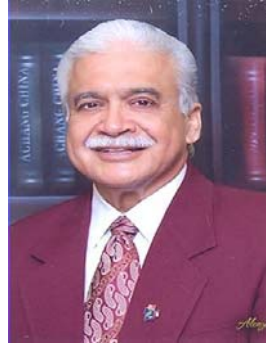
Nick Castillo  
Place 4  
Secretary



Reynaldo Alegria  
Place 5  
Trustee



Efren Cenicerros  
Place 7  
Trustee



Alfredo Lugo  
Place 2  
Trustee



Angel Magallanes  
Place 6  
Trustee

### Superintendent of Schools



Mr. Roberto F. Lored  
Superintendent of Schools  
September 19, 2007 to Present



## *Budgetary Controls*

On an annual basis, the District presents the Board of Trustees with the proposed budgets for the General Operating Fund, the Debt Service Fund, and the Food Service Fund for approval as required by the Texas Education Code and as described in the Texas Education Agency's Financial Accountability Systems Resource Guide. The proposed budget is presented to the Board summarized at the function level for each of the funds above. The Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than August 31, the close of the District's fiscal year. After adoption of the budget, the appropriation amounts are entered into the District's accounting and encumbrance system and monitoring of the expenditures and encumbrances in relation to the approved budget begins.

Budget managers have the authority to approve budget transfers anytime during the year. A budget transfer is the movement of appropriations between budget line items within the same function. Any request to move appropriations between budget line items to different functions is considered a budget amendment. Any budget amendment requested by budget managers requires Board approval. Expenditure requests will not be processed unless appropriations are available in the line item.

The District feels that the budgetary controls currently in place are adequate to ensure that expenditures remain within the approved budget and that the District complies with regulations established by the Texas Education Code and the Financial Accountability Systems Resource Guide.

The District evaluates the existing system of internal controls annually through self-evaluation and the annual independent financial and compliance audit. Internal controls are designed to provide reasonable, but not absolute, assurance regarding: 1) the safeguarding of assets against loss from authorized use or disposition; and 2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: 1) the cost of controls should not exceed benefits expected to be derived; and 2) the evaluation of costs and benefits requires estimates and judgments by management.

## ***Budget Policies and Development Procedures***

The State, the Texas Education Agency (TEA), and each local district formulate legal requirements for school district budgets.

## **Legal Requirements**

Sections 44.002 through 44.006 of the *Texas Education Code* establish the legal basis for budget development in school districts. The following items summarize the legal requirements from the code:

- The Superintendent is the budget officer for the District and prepares or causes the budget to be prepared.
- The district budget must be prepared by a date set by the State Board of Education.
- The President of the Board of Trustees must call a public meeting of the Board of Trustees, giving ten days public notice in a newspaper, for the adoption of the District budget. Any taxpayer in the District may be present and participate in the meeting.

- No funds may be expended in any manner other than as provided for in the adopted budget. The Board does have the authority to amend the budget or adopt a supplementary emergency budget to cover unforeseen expenditures.
- The budget must be prepared in accordance with GAAP (generally accepted accounting principles) and State guidelines.
- The budget must be legally adopted before the adoption of the tax rate.
- Annual budgets must be prepared for the following funds: General Fund, Debt Service Fund, and Food Service Special Revenue Fund.

### **TEA Legal Requirements**

TEA has developed additional requirements for school district budget preparation as follows:

- The budget must be adopted by the board of trustees, inclusive of amendments, no later than August 31.
- Minutes from district board meetings will be used by TEA to record adoption of and amendments to the budget.
- Budgets for the General Fund, the Food Service Fund (whether accounted for in the General Fund, a Special Revenue Fund or Enterprise Fund) and the Debt Service Fund must be included in the official district budget (legal or fiscal year basis). These budgets must be prepared and approved at least at the fund and function levels to comply with the state's legal level of control mandates.
- The officially adopted district budget, as amended, must be filed with TEA through PEIMS (Public Education Information Management System) by the date prescribed in the annual system guidelines. Revenues, other sources, other uses, and fund balances must be reported by fund, object (at the fourth level), fiscal year, and amount.
- Expenditures must be reported by fund, function, object (at the second level), organization, fiscal year, program intent and amount.
- A school district must amend the official budget before it exceeds a functional expenditure category, i.e., instruction, administration, etc., in the total district budget. The annual financial and compliance report should reflect the amended budget amounts on the schedule comparing budgeted and actual amounts.



The requirement for filing the amended budget with TEA is satisfied when the school district files its Annual Financial and Compliance Report.

### **Local District Requirements**

In addition to state legal requirements, the Donna Independent School District Board of Trustees has established their own requirements for annual budget preparation through Board Policy CE (LEGAL and LOCAL) Annual Operating Budget.

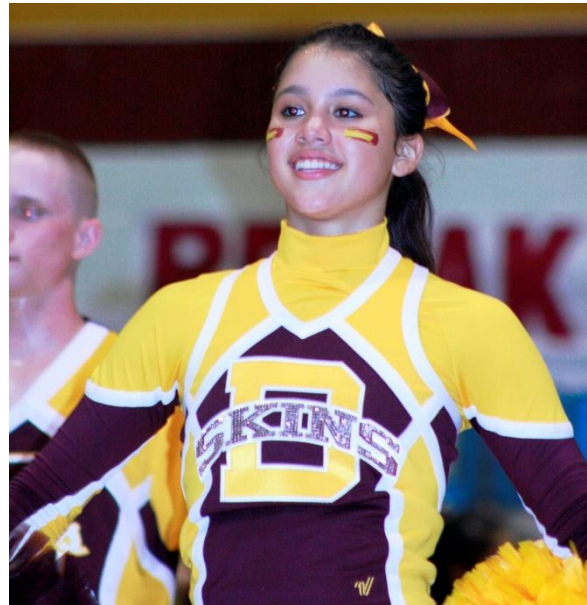
## Annual Operating Budget, CE (LEGAL)

Date Issued: 10-17-2011 – Update 91

### AUTHORIZED EXPENDITURES

The District shall not lend its credit or gratuitously grant public money or things of value in aid of any individual, association, or corporation. *Tex. Const. Art. III, Sec. 52; Brazoria County v. Perry, 537 S.W.2d 89 (Tex. Civ. App.—Houston [1st Dist.] 1976, no writ)*

The District shall not grant any extra compensation, fee, or allowance to a public officer, agent, servant, or contractor after service has been rendered or a contract entered into and performed in whole or in part. Nor shall the District pay or authorize the payment of any claim against the District under any agreement or contract made without authority of law. *Tex. Const. Art. III, Sec. 53; Harlingen Indep. Sch. Dist. v. C.H. Page and Bro., 48 S.W.2d 983 (Comm. App. 1932)*



The state and county available funds disbursed to the District shall be used exclusively for salaries of professional certified staff and for interest on money borrowed on short time to pay such salaries, when salaries become due before school funds for the current year become available. Loans for paying professional certified staff salaries may not be paid out of funds other than those for the current year. *Education Code 45.105(b)*

Local funds from District taxes, tuition fees, other local sources, and state funds not designated for a specific purpose may be used for salaries of any personnel and for purchasing appliances and supplies; for the payment of insurance premiums; for buying school sites; for buying, building, repairing, and renting school buildings, including acquisition of school buildings and sites by leasing through annual payments with an ultimate option to purchase [see CHG]; and for other purposes necessary in the conduct of the public schools to be determined by the Board. *Education Code 45.105(c)*

No public funds of the District may be spent in any manner other than as provided for in the budget adopted by the Board. *Education Code 44.006(a)*

### USE OF DISTRICT RESOURCES - IMPROVEMENTS TO REAL PROPERTY

Except as provided below or by Education Code 45.109(a-1) or (a-2) [see CX], the Board shall not enter into an agreement authorizing the use of District employees, property, or resources for the provision of materials or labor for the design, construction, or renovation of improvements to real property not owned or leased by the District.

This section does not prohibit the Board from entering into an agreement for the design, construction, or renovation of improvements to real property not owned or leased by the District if the improvements benefit real property owned or leased by the District. Benefits to real property owned or leased by the District include the design, construction, or renovation of highways, roads, streets, sidewalks, crosswalks, utilities, and drainage improvements that serve or benefit the real property owned or leased by the District.

## *Education Code 11.168*

### HOTELS

The Board may not impose taxes, issue bonds, use or authorize the use of District employees, use or authorize the use of District property, money, or other resources, or acquire property for the design, construction, renovation, or operation of a hotel. The Board may not enter into a lease, contract, or other agreement that obligates the Board to engage in an activity prohibited by this section or obligates the use of District employees or resources in a manner prohibited by this section.

“Hotel” means a building in which members of the public obtain sleeping accommodations for consideration. The term includes a motel.

## *Education Code 11.178*

### ELECTIONEERING

The Board may not use state or local funds or other resources of the District to electioneer for or against any candidate, measure, or political party. *Education Code 11.169*

### COMMITMENT OF CURRENT REVENUE

A contract for the acquisition, including lease, of real or personal property is a commitment of the District’s current revenue only, provided the contract contains either or both of the following provisions:

Retains to the Board the continuing right to terminate the contract at the expiration of each budget period during the term of the contract.

Is conditioned on a best efforts attempt by the Board to obtain and appropriate funds for payment of the contract.

## *Local Gov’t Code 271.903*

### FISCAL YEAR

The Board may determine if the District’s fiscal year begins on July 1 or September 1 of each year. *Education Code 44.0011*

### BUDGET PREPARATION

The Superintendent shall prepare, or cause to be prepared, a proposed budget covering all estimated revenue and proposed expenditures of the District for the following fiscal year. *Education Code 44.002*

### DEADLINES

The proposed budget shall be prepared on or before a date set by the State Board of Education, currently August 20 (June 19 if the District uses a July 1 fiscal year start date). *Education Code 44.002(a); 19 TAC 109.1(a), .41*

The adopted budget must be filed with the Texas Education Agency on or before the date established in the *Financial Accountability System Resource Guide*. *Education Code 44.005; 19 TAC 109.1(a)*

### PUBLIC MEETING ON BUDGET AND PROPOSED TAX RATE

After the proposed budget has been prepared, the Board President shall call a Board meeting for the purpose of adopting a budget for the succeeding fiscal year. Any taxpayer of the District may

be present and participate in the meeting. *Education Code 44.004(a), (f)* [See CCG for provisions governing tax rate adoption]

The meeting must comply with the notice requirements of the Open Meetings Act. *Gov't Code 551.041, .043*

#### PUBLISHED NOTICE

The Board President shall also provide for publication of notice of the budget and proposed tax rate meeting in a daily, weekly, or biweekly newspaper published in the District. If no daily, weekly, or biweekly newspaper is published in the District, the President shall provide for publication of notice in at least one newspaper of general circulation in the county in which the District's central administrative office is located. The notice shall be published not earlier than the 30th day or later than the tenth day before the date of the hearing.

#### FORM OF NOTICE

The published notice of the public meeting to discuss and adopt the budget and the proposed tax rate must meet the size, format, and content requirements dictated by law.

The notice is not valid if it does not substantially conform to the language and format prescribed by the comptroller.

#### TAXPAYER INJUNCTION

If the District has not complied with the published notice requirements in the FORM OF NOTICE described above, and the requirements for DISTRICTS WITH JULY 1 FISCAL YEAR below, if applicable, and the failure to comply was not in good faith, a person who owns taxable property in the District is entitled to an injunction restraining the collection of taxes by the District. An action to enjoin the collection of taxes must be filed before the date the District delivers substantially all of its tax bills.

*Education Code 44.004(b)-(e)*

#### PUBLICATION OF PROPOSED BUDGET SUMMARY

Concurrently with the publication of notice of the budget under Education Code 44.004, the District shall post a summary of the proposed budget on the District's Internet Web site or, if the District has no Internet Web site, in the District's central administrative office.

The budget summary must include a comparison to the previous year's actual spending and information relating to per student and aggregate spending on:

1. Instruction;
2. Instructional support;
3. Central administration;
4. District operations;
5. Debt service; and
6. Any other category designated by the Commissioner.

## EDUCATION CODE 44.0041

### DECREASE IN DEBT SERVICE RATE

If the debt service rate calculated under Education Code 44.004(c)(5)(A)(ii)(b) decreases after the publication of the notice required by this section, the Board President is not required to publish another notice or call another meeting to discuss and adopt the budget and the proposed lower tax rate. *Education Code 44.004(g-1)*

### BUDGET ADOPTION

The Board shall adopt a budget to cover all expenditures for the succeeding fiscal year at the meeting called for that purpose and before the adoption of the tax rate for the tax year in which the fiscal year covered by the budget begins. *Education Code 44.004(f)–(g)*

### CERTIFIED ESTIMATE

By April 30, the chief appraiser shall prepare and certify an estimate of the taxable value of District property. *Tax Code 26.01(e)*

### DISTRICTS WITH JULY 1 FISCAL YEAR

A district with a fiscal year beginning July 1 may use the certified estimate of the taxable value of District property in preparing the published notice if the District does not receive the certified appraisal roll on or before June 7. A district that uses a certified estimate may adopt a budget at the public meeting designated in the published notice prepared using the estimate, but the District may not adopt a tax rate before the District receives the certified appraisal roll for the District. *Education Code 44.004(h)–(i)*

### BUDGET ADOPTION AFTER TAX RATE ADOPTION

Notwithstanding Education Code 44.004(g), (h), and (i), above, the District may adopt a budget after the District adopts a tax rate for the tax year in which the fiscal year covered by the budget begins if the District elects to adopt a tax rate before receiving the certified appraisal roll for the District as provided by Tax Code 26.05(g). Following adoption of the tax rate [see CCG], the District must publish notice and hold a public meeting before the District may adopt a budget. The comptroller shall prescribe the language and format to be used in the notice. The District may use the certified estimate of taxable value in preparing the notice. *Education Code 44.004(j)*

### PUBLICATION OF ADOPTED BUDGET

On final approval of the budget by the Board, the District shall post on the District's Internet Web site a copy of the budget adopted by the Board. The District's Web site must prominently display the electronic link to the adopted budget.

The District shall maintain the adopted budget on the District's Web site until the third anniversary of the date the budget was adopted.

*Education Code 39.084*

### AMENDMENT OF APPROVED BUDGET

The Board shall have the authority to amend the approved budget or to adopt a supplementary emergency budget to cover necessary unforeseen expenses.

Copies of any amendment or supplementary budget must be prepared and filed in accordance with State Board rules.

### FAILURE TO COMPLY WITH BUDGET REQUIREMENTS

A Board member who votes to approve any expenditure of school funds in excess of the item or items appropriated in the adopted budget or a supplementary or amended budget commits a misdemeanor offense. *Education Code 44.052(c)*

### CERTAIN DONATIONS

The District may donate funds or other property or service to the adjutant general's department or to the Texas National Guard. *Gov't Code 431.035(b), .045(b)*

### Annual Operating Budget, CE (LOCAL)

Date Issued: 9-26-2011



### FISCAL YEAR

The District shall operate on a fiscal year beginning September 1 and ending August 31.

### BUDGET PLANNING

Budget planning shall be 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 shall be considered, as well as input from the District- and campus-level planning and decision-making committees. Budget planning and evaluation are continuous processes and shall be a part of each month's activities.

### BUDGET MEETING

The annual public meeting to discuss the proposed budget and tax rate shall be conducted as follows:

- 1) The Board President shall request at the beginning of the meeting that all persons who desire to speak on the proposed budget and/or tax rate sign up on the sheet provided.
- 2) Prior to the beginning of the meeting, the Board may establish time limits for speakers.
- 3) Speakers shall confine their remarks to the appropriation of funds as contained in the proposed budget and/or the tax rate.
- 4) No officer or employee of the District shall be required to respond to questions from speakers at the meeting.

### AUTHORIZED EXPENDITURES

The adopted budget provides authority to expend funds for the purposes indicated and in accordance with state law, Board policy, and the District's approved purchasing procedures. The expenditure of funds shall be under the direction of the Superintendent or designee who shall ensure that funds are expended in accordance with the adopted budget.

## BUDGET AMENDMENTS

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.

## FUND BALANCE CLASSIFICATION

Fund balance classification shall be recorded in accordance with governmental accounting standards as promulgated by the Governmental Accounting Standards Board.

## ORDER OF EXPENDITURE

The order of spending and availability of the fund balance shall be to reduce funds from the listed areas in the following order: restricted, committed, assigned, and unassigned. Negative amounts shall not be reported for restricted, committed, or assigned funds.

## FUND BALANCE

Fund balance shall mean the gross difference between governmental fund assets and liabilities reflected on the balance sheet. Governmental fund assets are those of the general fund, special revenue funds, debt service funds, and capital project funds.

## FUND BALANCE OF THE GENERAL FUND

The fund balance of the general fund, one of the governmental fund types, is of primary significance because the general fund is the primary fund, which finances most functions in the District. The fund balance of the general fund shall mean the gross difference between general fund assets and liabilities reflected on the balance sheet.

The five classifications of fund balance of the governmental types are as follows:

## NONSPENDABLE FUND BALANCE

1. Nonspendable fund balance shall mean the portion of the gross fund balance that is not expendable (such as inventories) or is legally earmarked for a specific use (such as the self-funded reserves program).

Examples of nonspendable fund balance reserves for which fund balance shall not be available for financing general operating expenditures include:

- Inventories;
- Prepaid items;
- Deferred expenditures;
- Long-term receivables; and
- Outstanding encumbrances.

## RESTRICTED FUND BALANCE

2. Restricted fund balance shall include amounts constrained to a specific purpose by the provider, such as a grantor.

Examples of restricted fund balances include:

- Child nutrition programs;
- Technology programs;
- Construction programs; and
- Resources from other granting agencies.



### COMMITTED FUND BALANCE

3. Committed fund balance shall mean that portion of the fund balance that is constrained to a specific purpose by the Board.

Examples include:

- Potential litigation, claims, and judgments; and
- Campus activity funds.

### ASSIGNED FUND BALANCE

4. Assigned fund balance shall mean that portion of the fund balance that is spendable or available for appropriation but has been tentatively earmarked for some specific purpose by the Superintendent or designee.

In current practice, such plans or intent may change and may never be budgeted, or may result in expenditures in future periods of time.

Examples include:

- Insurance deductibles;
- Program start-up costs; and
- Other legal uses.

### UNASSIGNED FUND BALANCE

5. Unassigned fund balance shall include amounts available for any legal purpose. This portion of the total fund balance in the general fund is available to finance operating expenditures.

The unassigned fund balance shall be the difference between the total fund balance and the total of the nonspendable fund balance, restricted fund balance, committed fund balance, and assigned fund balance.

### **Budget Process Overview**

The budgeting process is comprised of three major phases: planning, preparation and evaluation. The budgetary process begins with sound planning. Planning defines the goals and objectives of campuses and the school district and develops programs to attain those goals and objectives. Once these programs and plans have been established, budgetary resource allocations are made to support them. Budgetary resource allocations are the preparation phase of budgeting. The allocations cannot be made, however, until plans and programs have been established.

Finally, the budget is evaluated for its effectiveness in attaining goals and objectives. Evaluation typically involves an examination of: how funds were expended, what outcomes resulted from the expenditure of funds, and to what degree these outcomes achieved the objectives stated during the planning phase. This evaluation phase is important in determining the following year's budgetary allocations.

In summary, budget preparation is not a one-time exercise to determine how a school district will allocate funds. Rather, school district budget preparation is part of a continuous cycle of planning and evaluation to achieve district goals.



## The Planning Cycle

The budget process covers the entire financial cycle starting with budget planning and ending with the audited financial statements. The seven steps are:

- |                                  |                         |
|----------------------------------|-------------------------|
| ➤ Budget Planning                | January – February 2013 |
| ➤ Budget Preparation             | January – August 2013   |
| ➤ Board of Trustee Budget Review | April – August 2013     |
| ➤ Budget Adoption                | August 2013             |
| ➤ Tax Rate Adoption              | August 2013             |
| ➤ Budget Amendments              | Monthly 2013-2014       |
| ➤ Audited Financial Statements   | December 2014           |

### Budget Planning

The District budget process is instructionally driven. District budget planning begins with the core budget committee team which consists of Mr. Jesus Rene Reyna, Deputy Superintendent, Mr. David Robledo, Chief Financial Officer, Mrs. Stephanie De Los Santos, Finance Supervisor, and Ms. Angelica Resendez, Budget Accountant. The team prepares the Budget Calendar, enrollment/average daily attendance (ADA) projections, and revenue projections. These enrollment/ADA forecasts are used extensively during the budget development stage to determine campus allocations and staffing ratios.

### Budget Preparation

Budget Preparation begins with a meeting with the Board Standing Budget Committee to seek direction for next year's budget. Later a kick-off budget committee meeting takes place to further develop next year's budget, goals, initiatives, and other major items. Several meetings with the budget committee will occur throughout

**Donna ISD Budget Calendar**

|                  |  |   |
|------------------|--|---|
| <b>September</b> | ◀ September 1<br>Fiscal Year Begins  |   |
| <b>October</b>   | ● 2011-2012 Financial Audit begins   | Ongoing review of 2012-2013 Budgets, including daily budget changes and monthly budget amendments |
| <b>November</b>  | ● Presentation of Audited Financial Statements for the 2012 Fiscal   |   |
| <b>December</b>  | ●  |   |
| <b>January</b>   |  |   |
| <b>February</b>  | <ul style="list-style-type: none"> <li>● Begin the 2013-2014 Budget Process Outline</li> <li>● Develop projected enrollment &amp; average daily attendance</li> <li>● Project planning amounts for Federal and SCE Programs</li> <li>● Review staffing ratios</li> <li>● Staff planning for Donna North High &amp; Todd Middle School</li> </ul> |   |
| <b>March</b>     | <ul style="list-style-type: none"> <li>● Schedule Workshops for Budget Committee Members</li> <li>● Review current revenues &amp; forecast 2014 revenues</li> </ul>  |   |
| <b>April</b>     | <ul style="list-style-type: none"> <li>● April 15-Budget Kickoff Meeting with the Budget Committee</li> <li>● April 17-Principals' Budget Meeting</li> <li>● April 18-Directors' Budget Meeting</li> <li>● April 19-Budget Worksheets become available on TEAMS</li> <li>● April 25th through 29- TEAMS Budget Training</li> </ul>               |   |
| <b>May</b>       | <ul style="list-style-type: none"> <li>● May 2-Budget Committee Meeting</li> <li>● May 17-Campus &amp; Department Budget Drafts Due</li> <li>● May31-Campus &amp; Department Budgets Due</li> </ul>  |   |
| <b>June</b>      | <ul style="list-style-type: none"> <li>● June 6-Final Budget Committee Meeting</li> <li>● June 13-Board Budget Workshop #1</li> </ul>  |   |
| <b>July</b>      | <ul style="list-style-type: none"> <li>● July 23-Board Budget Workshop #2</li> </ul>   |   |
| <b>August</b>    | <ul style="list-style-type: none"> <li>● August 13-Board Budget Workshop #3</li> <li>● August 20-Public Meeting to Discuss Budget &amp; Proposed Tax Rate</li> <li>● August 27-Board adoption of the budget and tax rate</li> <li>▶ August 31<br/>Fiscal Year Ends</li> </ul>  |   |

the budget preparation period on special topics of the budget. The budget committee consists of the core budget committee team, the superintendent's cabinet, various principals, directors, and teachers. Once key budget assumptions, preliminary revenue projections, and allocations have been made, the budget worksheets are distributed. The District utilizes the TEAMS software to allow for on-line budget preparation instead of strictly paper submissions. Therefore, annual software training is provided. These small group training sessions with principals and program directors will occur to assist with the budget entering process and will allow for specific campus/department questions to be answered.

The District uses site-based budgeting to enhance the ability of principals to serve as effective instructional leaders. Site-based budgeting places the principal at the center of the budget preparation process. In addition, campuses prepare the required annual Campus Improvement Plans which is integrated into the budget process.

The Campus Budget Worksheet reflects the initial campus funding allocations. These allocations address equity issues between campuses. The initial campus funding allocation is based on projected ADA. These funds are allocated to campus programs by the Principal per the Campus Improvement Plan. Each campus receives a basic allotment and a federal programs allotment per student to be used for supplies, materials, equipment, staff development and other appropriate instructional costs.

Budgets for non-campus units are developed by department heads and reviewed by the Budget Committee. Payroll budgets are developed by the Human Resources department utilizing established staffing guidelines. Personnel units are allocated to each campus based on student enrollment following state mandated ratios, as applicable. Non-campus personnel units are evaluated by each departmental director and the core budget committee team. Additional personnel unit requests are evaluated by the Human Resources Department and by the core budget committee team.

After the completed campus and program budget packages have been returned, the Core Budget Committee Team reviews them in detail. The review focuses on instructional needs and includes discussions on the reallocation of existing funds as well as any additional funding requests from the campus and departments.

After extensive review, analysis and discussion, recommendations are presented to the Board of Trustees.

## **FY 2013-2014 Budget Goals, Assumptions and Key Factors**

### **Budget Goals**

- To adopt a budget that is both consistent with Donna ISD's mission and District goals.
- To ensure and maintain a healthy fund balance.
- To achieve adequate staffing ratios.
- To provide an adequate and competitive employee compensation plan.

## **Budget Assumptions**

Donna ISD's 2014 budget will be responsive to legislative action, voter preferences, and:

- Be balanced with access to reserve funds if necessary;
- Maintain certain cost cutting measures;
- Project a conservative taxable property valuations for revenue projections;
- Manage the District's resources efficiently and effectively; and,
- Maintain an adequate fund balance.

## **Key Factors in Planning Our Budget**

- Enrollment is expected to remain fairly stable based on current trends.
- General fund revenue projections are based on current funding formulas adopted during the 83<sup>rd</sup> Legislative session.
- Expenditures are expected to increase by 1% due to the implementation of a new curriculum plan, a \$1,200 salary increase for teaching staff, and a 3% salary increase for all other staff members.

## **Board of Trustee Budget Review**

The Board of Trustees regularly receives budget updates that include revisions to the preliminary budget, the compensation plan, and the capital projects/capital improvement plan.

Once the District receives preliminary property value information from the Hidalgo County Appraisal District (HCAD) the Board is asked to approve the budget. The required legal notice for the FY 2013 – 2014 Budget was published on August 8, 2013. The Board of Trustees held the public hearing budget on August 20, 2013 and adopted the budget on August 27, 2013. In addition, the District's compensation plan for all staff is adopted on the same day.



## **Tax Rate Adoption**

Historically, HCAD certifies all District property. After receiving its certified property value rolls, the Hidalgo County Tax Office and the District's Finance & Business Office calculates the effective and rollback tax rate in early August. The required legal notice of the District's effective and roll-back tax rates was published on August 8, 2013. The Board of Trustees held the public hearing on the proposed tax rate on August 20, 2013 and adopted the tax rate on August 27, 2013.

## **Budget Amendments**

Initial campus budget allocations are based on projected ADA and are modified after the first semester of the school year. Budget amendments, if necessary, are taken to the Board monthly for consideration and approval. The Final Amended Budget for the Year Ending August 31, 2013, was submitted at the August 27, 2013, Board meeting. It reflects all amendments previously approved by the Board of Trustees plus any final amendments. The Final Amended

Budget for the Year Ending August 31, 2013, will be used by the District's external auditors in compiling the annual financial statements.

### **Audited Financial Statements**

The final step in the budget cycle is the approval of the audited financial statements. This document includes budget to actual comparisons and highlights the District's ability to manage our \$165 million governmental funds budget. Audited Financial Statements are scheduled for review and approval by the Board on December 17, 2013.

### **Budget Control and Management Process**

#### **Budget Administration and Management Process**

Adoption of the official budget by the Board of Trustees is only the first step in the budget process.

Following adoption, the budget administration and management process begins. The budget administration and management process is the process of regulating expenditures throughout the fiscal year to ensure that they do not exceed authorized amounts and that they are used for intended, proper and legal purposes.

#### **Expenditure Control and Approvals**

Expenditure appropriations are allocated between approximately 104 organizations or cost centers (campuses, departments, divisions, etc.). Each organization is assigned a budget manager (i.e., principal, department head). The budget manager is accountable for their organizations' portion of the General Fund budget. Each budget manager is authorized to approve the expenditure of funds within their respective organization, provided that funds are expended in accordance with District purchasing procedures and legal requirements.

This is accomplished through the use of the standard account code system prescribed by the Texas Education Agency, which includes an organization code. This code system is described in detail within this document. Each budget manager (or designee) is granted on-line access to the accounting codes for their organization. This access includes purchase order, check requisition, account inquiry and reporting capabilities.

#### **Purchase Orders**

The Board of Trustees approves all bid awards and contracts. Purchase orders are prepared for all tangible goods. Once a purchase order is entered and approved at the campus/departamental level, administrative regulations require that all purchase orders be forwarded to the Purchasing Department for verification of availability of funds, proper account coding and compliance with legal purchasing procedures. Purchasing then sends the P.O. to the appropriate vendor. Once the P.O. is printed and faxed or mailed, an encumbrance is entered into the account code. Encumbrances are reservations of appropriations for open purchase orders for goods that have not yet been received. The purpose of the encumbrance is to ensure that obligations are recognized as soon as financial commitments are made in order to prevent inadvertent over-expenditure of funds due to lack of information about future commitments.

The majority of goods are received centrally at the Central Warehouse. The receiving ticket is turned to Accounts Payable. Once the Accounts Payable Department matches the P.O., receiving information and vendor invoice, payment is made.

### **Amending the Budget**

The budget is legally adopted at the fund and function level. The Board of Trustees must, therefore, approve budget amendments that transfer funds between funds or functions. For example, appropriations for instruction cannot be transferred to administration without Board approval. All other required transfers that do not involve fund or function changes are reviewed, approved and processed by the Business and Finance Office.

To reduce the number of transfers that require processing by the Business and Finance Office, budgetary control accounts have been established so that budget managers are able to utilize their organization's funds as necessary within the same fund, function, major object and sub-object without submitting an official budget amendment. Control accounts link several detail expenditure accounts to the same budgetary control balance. For example, assume that the food cost for the Child Nutrition Program detail account at a particular campus had no remaining budgetary balance and another campus detail account in the same fund, function, major object (food) and sub-object had a remaining budget balance. An expenditure could be made from the food account without doing a budget transfer, due to the fact that the control account (which includes the second campus food account) had enough funds to cover the expenditure.

### **Monitoring the Budget**

The District's interactive, on-line budgetary accounting and control system provides many useful reports to assist Board members, Administrative Services personnel and budget managers in administering, monitoring and controlling the implementation of the budget. This system provides many checks on account balances to ensure that funds are not over-expended at the budgetary control account level. If sufficient funds are not available at the budgetary control account level, purchase orders and check requisitions cannot be generated. The Chief Financial Officer and staff carefully monitors comparisons between budget and actual expenditures to maintain cost control and to ensure against overspending for payroll and related accounts.

On a monthly basis, management reviews financial projection reports generated by the District's accounting system. At any period of time during the year, financial projections through the end of the fiscal year can be generated. This is done by taking the expenditures through a certain specified period in the current year, divided by the percent of expenditures through this same period in the prior year divided by total actual expenditures in the prior year. This process of reviewing projected year-end expenditure levels, as well as current expenditure levels, provides an increased level of comfort in assuring budgetary compliance.

Relevant financial reports are submitted to the Board of Trustees on a monthly basis. The final step in the budget monitoring process is the evaluation of the results of operations, which are presented annually in the District's Comprehensive Annual Financial Report (CAFR).

## Reporting to the Texas Education Agency (TEA)

The District budget must be submitted to TEA via the Public Education Information Management System (PEIMS) transmission process as of the date established in the annual instructions for the system. TEA monitors for compliance at the District level only. This monitoring is a legal requirement to ensure mandatory expenditure levels in certain areas. In addition, amended budgets are reflected on the schedules comparing budget and actual results in the Comprehensive Annual Financial Report. The requirement for filing the amended budget with TEA is formally met when the District submits its Comprehensive Annual Financial Report.



## Fund Accounting

The District accounts are organized on the basis of funds in accordance with the provisions of the Resource Guide. Each fund is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses. For financial statement presentation, the District's fund financial statements provides more detailed information about the District's most significant funds – not the District as a whole. The funds shown on the Fund Financial Statements are considered major funds because of the size and activity of the funds in accordance with generally accepted financial reporting criteria. The District has three kinds of funds:

- 1. Governmental funds** – Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.
- 2. Proprietary funds** – Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds provide both long and short-term financial information.
- 3. Fiduciary funds** – The District is the trustee, or fiduciary, for certain funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets.

## Governmental Fund Types

### General Fund

The General Fund is the primary operating fund. It is a governmental fund with budgetary control which is used to show transactions resulting from operations of on-going organizations and activities from a variety of revenue sources for which fund balance is controlled by and retained for the use of the local education agency. The General Fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenue include local property taxes, state reimbursement for professional salaries and other operating

expenditures and interest on fund investments. Expenditures include all costs necessary for the daily operation of the District except for specific programs funded by the federal or state government, debt service and capital projects. Food Service - used to account for the District's Food Services Program, including local, state and federal revenue sources and all costs associated with the operation of the program.

### **Special Revenue Funds**

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

### **Debt Service Fund**

The Debt Service Fund is used to account for the payment of interest and principal on all bonds of the District. Primary sources of revenue for the debt service fund are local property taxes and the state instructional facilities and existing debt allotments.

### **Proprietary Funds**

The District reports both internal service and enterprise proprietary funds in its Comprehensive Annual Financial Report. These funds do not have annually adopted budgets and, thus, are not included in this document.

### ***Classification of Revenues and Expenditures***

Section 44.007 of the Texas Education Code 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 with Generally Accepted Accounting Principles (GAAP). 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.

A major purpose of the accounting code structure is to establish the standard school district fiscal accounting system required by law. Although certain codes within the overview may be used at local option, the sequence of the codes within the structure, and the funds and chart of accounts, are to be uniformly used by all school districts in accordance with GAAP.

### **Basic System Expenditure Code Composition**

- Fund Code – A mandatory 3-digit code is to be 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 – A mandatory 2-digit code that identifies the purpose of the transaction is applied to expenditures. The first digit identifies the major service area and the second digit refers to the specific function within the area.
- Object Code – A mandatory 4-digit code identifying the nature and object of an account, a transaction or a source. The first of the four digits identifies the type of account or transaction, the second digit identifies the major area and the third and fourth digits provide further sub-classifications.



- Sub-Object – Optional code. Used at Donna ISD to provide special accountability for certain programs or areas.
- Organization Code – A mandatory 3-digit code identifying the organization; i.e., campus, department.
- Fiscal Year Code – A mandatory single digit code that identifies the fiscal year of the transaction or the project year of inception of a grant project.
- Program Intent Code – A 2-digit code used to designate services provided to students.
- Optional Code 3, 4, and 5 – Optional code that may be used to further describe the transaction.

District revenues are classified by fund and object or source. There are three major sources: local sources, state sources and federal sources.

Expenditures budgets are legally adopted at the fund and function level. However, within this document we have included several additional presentations of expenditures. These presentations segregate expenditures by either organization or by major object. Major object codes are used to describe the type of items purchased or services obtained. The major object codes used in this document are: payroll and related costs, purchased and contracted services, supplies and materials, other operating expenditures and capital outlay. Fund codes have been previously described in the preceding Financial Structure section. Following is a description of the function codes used throughout this document.

## **Function Codes**

General Descriptions

Class Detail Description

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### ***10 Instruction and Instructional 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 and ESL 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, services, etc. For example, this function includes staff who 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 Assistant Superintendent for Instruction, but does not include principals (23).

### **23 School Leadership**

This function includes expenses 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 expenses 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 visitor 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 cooks and food purchases, but does not include concession stands (36).

### 36 Cocurricular/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 co-curricular 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 expenses incurred for the overall administrative responsibilities of the school district. It includes expenses for the School Board, superintendent's office, tax office, personnel services, financial services and administrative attendance personnel.

### **50 Support Services - Non Student Based**

#### 51 Plant Maintenance

This function deals with expenditures made to keep buildings, grounds, and equipment safe for use and in efficient working condition. This function also includes expenditures associated with warehousing and receiving services. Examples include janitors, facility insurance premiums, utilities and warehouse personnel.

#### 52 Security and Monitoring Services

This function is used for expenditures/expenses that are 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 police and crossing guards.

#### 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 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 Services

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 built-in systems.

### **90 Intergovernmental Charges**

#### **93 Payments to Fiscal Agent / Member District of Shared Services Arrangements**

This function code is used for expenditures that are for (1) payments from a member district to a fiscal agent of a shared services arrangement; or, (2) payments from a fiscal agent to a member district of a shared services arrangement.

#### **95 Payments to Juvenile Justice Alternative Education Programs**

This function code is used for expenditures that are for the purpose of providing financial resources for Juvenile Justice Alternative Education Programs under Chapter 37, TEC. This function code is also used to account for incremental costs associated with this activity.

#### **99 Other Intergovernmental Charges**

This function code is used for amounts paid to other governmental entities such as county appraisal districts for costs related to the appraisal of property.

## **Significant Financial Policies and Procedures**



The following financial policies and procedures of the District significantly influence the development of the annual budget.

### **Cash Management**

The District's cash management goals are as follows:

- Ensure proper collateralization of deposits.
- Ensure adequate balances to cover cash disbursement needs.
- Maximize interest earnings.
- Minimize bank charges.

These goals are accomplished by keeping bank balances as low as possible through transferring all available dollars into an investment pools used by the District (Texpool).

Cash balances are monitored daily by the District through on-line banking. Using this system allows accounting personnel to minimize bank balances by only transferring into the accounts the funds necessary to cover the dollar amount of checks that have been presented to the bank each day. This keeps the low interest bearing bank balances at a minimum, thus maximizing interest earnings.

## **Investment Policies**

The Board of Trustees has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act of 1995. This policy authorizes the District to invest in obligations of the U.S. Treasury, the State of Texas, or certain U.S. Agencies, certificates of deposit, repurchase agreements, commercial paper, money market and no-load mutual funds and public funds investment pools as permitted by Chapter 2256, Texas Government Code.

The main goal of the investment program is to ensure safety of investments, as well as to maximize financial returns within current market conditions in accordance with the District's investment policy. The investment portfolio shall be diversified in terms of investment instrument, maturity scheduling and financial institutions to reduce the risk of loss.

Monitoring is performed monthly as investment reports are submitted to the Board of Trustees for review.

In addition, the District investment officer annually presents a comprehensive report on the investment program and investment activity.

## **Debt Management**

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. Debt management policies seek to provide the most favorable climate for the District debt projects while upholding the highest rating possible for debt instruments.

- All debt service obligations will be met when due (currently 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.
- Long-term financing will be restricted to capital projects and purchases of related equipment.
- Long-term bonds will not be used to finance current operations.
- The District will cooperate and communicate with bond-rating agencies and work toward obtaining the most favorable bond rating possible.
- Outstanding obligations will be reviewed frequently to ensure the most favorable funding structure for the District.
- All necessary information and material regarding the District's financial status will be provided to the appropriate parties.

The District continues to have excellent underlying bond ratings. The "AAA" long-term rating on the District's bonds reflects the Texas Permanent School Fund Guarantee. The underlying rating on the District's bonds is "A2" with Moody's Investors Service and "A+" with Standard and Poor's Ratings Services.

The ratio of net bonded debt to assessed value for the District is 7.3%. Educational legislation has eliminated limits on outstanding debt.

## **Risk Management**

The District's risk management program encompasses various means of protecting the District against loss. Property and casualty insurance is provided by commercial carriers and liability insurance coverage is provided by participation in a public entity risk pool administered by the Texas Association of School Boards. In addition, health insurance and workers' compensation risks are self-funded and include excess loss insurance policies for claims exceeding a specified limit.

## **Independent Audit and Financial Reporting**

In accordance with Section 221.256, Texas Education Code, public school districts in Texas shall have their accounts audited annually. The audit shall be made on an organization-wide basis, and shall involve all fund types and account groups of the school district. In addition to meeting the requirements set forth in state statutes, the audit is also designed to meet the requirements of the federal Single Audit Act of 1984 and the related provisions of OMB Circular A-133 "Audits of State, Local Governments, and Non-Profit Organizations." Once the annual audit is complete, a Comprehensive Annual Financial Report is prepared and submitted to the Texas Education Agency for review. This report is designed to meet the specific monitoring needs of the Texas Education Agency. The report also conforms to the standards of both the Association of School Business Officials International and the Government Finance Officers Association.





## **ADOPTED BUDGET**

*Donna ISD.....*

*Committed to Excellence*

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Donna I.S.D.  
District Name

# Texas Education Agency


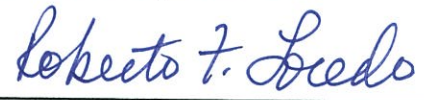
108-902  
County-District Number

Official Budget for Texas Public School  
School Year for 2013-2014

**Authority for Data Collection: Texas Education Code 44.002 Planned Use of the Data: To determine whether school districts have adequate resources to expend for school operations. Instructions: Complete in accordance with instructions printed in the Texas Education Agency Financial Accountability System Resource Guide, Budgeting Module.**

**Questions may be referred to the Audit Review Section (512) 463-9095.**

**The Official Budget for this District for the School Year 2013-2014 was adopted at a meeting of the Board of School Trustees on August 27, 2013 evidenced in the Official School Board Minutes. I (We) certify that budget preparation and adoption is in accordance with sections 44.002 through 44.006 of the Texas Education Code.**

|   |  |   |
|---|--|---|
| Typed Name of School Board President:<br><br>Mr. Ernesto Lugo | Date<br><br>8/27/2013                  | Signature of School Board President<br><br> |
| Typed Name of Superintendent<br><br>Mr. Roberto Loreda        | Date<br><br>8/27/2013                  | Signature of Superintendent<br><br>        |
| Typed Name of Contact Person:<br><br>Mr. Jesus Rene Reyna     | Phone No.<br><br><b>(956) 461-4320</b> |   |

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## Donna Independent School District 2013-2014 Official Budget Presentation Summary by Fund



| Fund                                   | Fund Name                   | Estimated Revenues    | Other Sources (Uses) | Budget Revenues       | Budget Expenditures   | Difference  |
|--|-----------------------------|-----------------------|----------------------|-----------------------|-----------------------|-------------|
| 101                                    | Child Nutrition Program     | \$11,211,554          | \$ -                 | \$11,211,554          | \$11,211,554          | \$ -        |
| 162                                    | State Bilingual Fund        | 1,865,280             | -                    | 1,865,280             | 1,865,280             | -           |
| 164                                    | State Compensatory Fund     | 8,047,370             | -                    | 8,047,370             | 8,047,370             | -           |
| 165                                    | State Special Education     | 6,386,698             | -                    | 6,386,698             | 6,386,698             | -           |
| 167                                    | State Career and Technology | 2,295,031             | -                    | 2,295,031             | 2,295,031             | -           |
| 168                                    | State Gifted and Talented   | 484,464               | -                    | 484,464               | 484,464               | -           |
| 171                                    | Local Maintenance Fund      | 7,874,937             | -                    | 7,874,937             | 7,874,937             | -           |
| 181                                    | Athletic Fund               | 2,783,357             | -                    | 2,783,357             | 2,783,357             | -           |
| 182                                    | Fine Arts Fund              | 1,300,000             | -                    | 1,300,000             | 1,300,000             | -           |
| 199                                    | General Fund                | 99,282,465            | (956,830)            | 98,325,635            | 98,325,635            | -           |
| 199                                    | High School Allotment       | 905,000               | -                    | 905,000               | 905,000               | -           |
| <b>GENERAL FUNDS SUBTOTAL</b>          |                             | <b>\$ 142,436,156</b> | <b>\$ (956,830)</b>  | <b>\$ 141,479,326</b> | <b>\$ 141,479,326</b> | <b>\$ -</b> |
| 599                                    | Debt Service                | 8,134,000             | 956,830              | 9,090,830             | 9,090,830             | -           |
| <b>DEBT SERVICE FUND SUBTOTAL</b>      |                             | <b>\$8,134,000</b>    | <b>\$956,830</b>     | <b>\$9,090,830</b>    | <b>\$9,090,830</b>    | <b>\$ -</b> |
| <b>TOTAL OFFICIAL 2013-2014 BUDGET</b> |                             | <b>\$150,570,156</b>  | <b>\$ -</b>          | <b>\$150,570,156</b>  | <b>\$150,570,156</b>  | <b>\$ -</b> |

*Donna ISD...Take Ownership!*

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**DONNA INDEPENDENT SCHOOL DISTRICT  
OFFICIAL BUDGET  
2013-2014**

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**DONNA INDEPENDENT SCHOOL DISTRICT  
OFFICIAL BUDGET  
FOR FISCAL YEAR 2013-2014  
(WITH OFFICIAL 2012-2013 MEMORANDUM TOTALS)**

|   | 199<br>General<br>Fund | 101<br>Food Service<br>Fund | 599<br>Debt Service<br>Fund | 2013-2014<br>Memo<br>Totals | 2012-2013<br>Memo<br>Totals |
|---|------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>ESTIMATED REVENUES:</b>                      |                        |                             |                             |                             |                             |
| <b>5700 Local Revenue</b>                       |                        |                             |                             |                             |                             |
| 5711 Taxes Current Year Levy                    | \$ 10,350,000          | \$ -                        | \$ 800,000                  | \$ 11,150,000               | \$ 11,000,000               |
| 5712 Taxes Prior Years                          | 1,050,000              | -                           | 80,000                      | 1,130,000                   | 1,280,000                   |
| 5716 Penalties, Interest                        | 600,000                | -                           | 50,000                      | 650,000                     | 658,000                     |
| 5717 Misc. Revenues                             | 80,000                 | -                           | -                           | 80,000                      | 20,000                      |
| 5719 Other Tax Revenues                         | 10,000                 | -                           | -                           | 10,000                      | 10,000                      |
| 5739 Tuition and Fees                           | 2,000                  | -                           | -                           | 2,000                       | -                           |
| 5742 Earnings from Temp. Investments            | 45,000                 | -                           | 4,000                       | 49,000                      | 46,000                      |
| 5749 Other Revenue from Local Sources           | 120,000                | 8,000                       | -                           | 128,000                     | 142,000                     |
| 5751 Food Service Activity                      | -                      | 330,000                     | -                           | 330,000                     | 330,000                     |
| 5752 Athletic Activities                        | 124,000                | -                           | -                           | 124,000                     | 94,000                      |
| <b>5700-Total Local Revenue</b>                 | <b>\$ 12,381,000</b>   | <b>\$ 338,000</b>           | <b>\$ 934,000</b>           | <b>\$ 13,653,000</b>        | <b>\$ 13,580,000</b>        |
| <b>5800 State Revenue</b>                       |                        |                             |                             |                             |                             |
| 5811 Per Capita Apportionment                   | \$ 6,440,440           | \$ -                        | \$ -                        | \$ 6,440,440                | \$ 5,159,578                |
| 5812 Foundation School Program Act Entitlements | 103,531,162            | -                           | -                           | 103,531,162                 | 98,548,869                  |
| 5829 Misc. State Revenue-T.E.A.                 | -                      | 60,000                      | 7,200,000                   | 7,260,000                   | 7,260,000                   |
| 5831 Teacher Retirement On-Behalf Payments      | 7,967,000              | 42,000                      | -                           | 8,009,000                   | 8,347,167                   |
| <b>5800- Total State Revenue</b>                | <b>\$ 117,938,602</b>  | <b>\$ 102,000</b>           | <b>\$ 7,200,000</b>         | <b>\$ 125,240,602</b>       | <b>\$ 119,315,614</b>       |
| <b>5900 Federal</b>                             |                        |                             |                             |                             |                             |
| 5921 School Breakfast Program                   | \$ -                   | \$ 4,050,887                | \$ -                        | \$ 4,050,887                | \$ 4,012,165                |
| 5922 National School Lunch Program              | -                      | 6,502,649                   | -                           | 6,502,649                   | 6,440,643                   |
| 5923 Donated Commodities                        | -                      | 218,018                     | -                           | 218,018                     | 215,859                     |
| 5929 Federal Revenues Distributed by TEA        | 350,000                | -                           | -                           | 350,000                     | 415,000                     |
| 5931 SHARS                                      | 500,000                | -                           | -                           | 500,000                     | 500,000                     |
| 5939 Federal Revenues Other than T.E.A.         | 15,000                 | -                           | -                           | 15,000                      | -                           |
| 5949 Direct Federal Revenues                    | 40,000                 | -                           | -                           | 40,000                      | -                           |
| <b>5900 -Total Federal Revenue</b>              | <b>\$ 905,000</b>      | <b>\$ 10,771,554</b>        | <b>\$ -</b>                 | <b>\$ 11,676,554</b>        | <b>\$ 11,583,667</b>        |
| <b>5000 TOTAL ESTIMATED REVENUES</b>            | <b>\$ 131,224,602</b>  | <b>\$ 11,211,554</b>        | <b>\$ 8,134,000</b>         | <b>\$ 150,570,156</b>       | <b>\$ 144,479,281</b>       |

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**DONNA INDEPENDENT SCHOOL DISTRICT  
OFFICIAL BUDGET  
FOR FISCAL YEAR 2013-2014  
(WITH OFFICIAL 2012-2013 MEMORANDUM TOTALS)**

|  | 199<br>General<br>Fund | 101<br>Food Service<br>Fund | 599<br>Debt Service<br>Fund | 2013-2014<br>Memo<br>Totals | 2012-2013<br>Memo<br>Totals |
|--|------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>APPROPRIATED EXPENDITURES</b>                             |                        |                             |                             |                             |                             |
| <b>11 Instruction</b>  |                        |                             |                             |                             |                             |
| 6100 Payroll Costs   | \$ 70,055,392          | \$ -                        | \$ -                        | \$ 70,055,392               | \$ 63,765,940               |
| 6200 Professional & Contracted Services                      | 661,652                | -                           | -                           | 661,652                     | 1,395,922                   |
| 6300 Supplies and Materials                                  | 1,667,490              | -                           | -                           | 1,667,490                   | 3,465,771                   |
| 6400 Other Operating Expenses                                | 812,634                | -                           | -                           | 812,634                     | 826,932                     |
| 6600 Capital Outlay  | 200,000                | -                           | -                           | 200,000                     | 317,408                     |
| <b>11- Total Instruction</b>                                 | <b>\$ 73,397,168</b>   | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 73,397,168</b>        | <b>\$ 69,771,973</b>        |
| <b>12 Instructional Resources and Media</b>                  |                        |                             |                             |                             |                             |
| 6100 Payroll Costs   | \$ 1,363,626           | \$ -                        | \$ -                        | \$ 1,363,626                | \$ 1,387,500                |
| 6200 Professional & Contracted Services                      | 11,307                 | -                           | -                           | 11,307                      | 7,790                       |
| 6300 Supplies and Materials                                  | 124,702                | -                           | -                           | 124,702                     | 504,300                     |
| 6400 Other Operating Expenses                                | 24,996                 | -                           | -                           | 24,996                      | 31,206                      |
| 6600 Capital Outlay  | -                      | -                           | -                           | -                           | 963,588                     |
| <b>12 Total Instructional Resources and Media</b>            | <b>\$ 1,524,631</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 1,524,631</b>         | <b>\$ 2,894,384</b>         |
| <b>13 Curriculum and Instructional Staff Development</b>     |                        |                             |                             |                             |                             |
| 6100 Payroll Costs   | \$ 897,695             | \$ -                        | \$ -                        | \$ 897,695                  | \$ 827,607                  |
| 6200 Professional & Contracted Services                      | 226,834                | -                           | -                           | 226,834                     | 206,775                     |
| 6300 Supplies and Materials                                  | 30,943                 | -                           | -                           | 30,943                      | 36,679                      |
| 6400 Other Operating Expenses                                | 172,457                | -                           | -                           | 172,457                     | 187,091                     |
| <b>13 Total Curriculum &amp; Instruct. Staff Development</b> | <b>\$ 1,327,929</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 1,327,929</b>         | <b>\$ 1,258,152</b>         |
| <b>21 Instructional Administration</b>                       |                        |                             |                             |                             |                             |
| 6100 Payroll Costs   | \$ 1,769,815           | \$ -                        | \$ -                        | \$ 1,769,815                | \$ 1,559,230                |
| 6200 Professional & Contracted Services                      | 162,920                | -                           | -                           | 162,920                     | 154,495                     |
| 6300 Supplies and Materials                                  | 157,613                | -                           | -                           | 157,613                     | 140,383                     |
| 6400 Other Operating Expenses                                | 79,125                 | -                           | -                           | 79,125                      | 93,253                      |
| <b>21 Total Instructional Administration</b>                 | <b>\$ 2,169,473</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 2,169,473</b>         | <b>\$ 1,947,361</b>         |

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**DONNA INDEPENDENT SCHOOL DISTRICT  
OFFICIAL BUDGET  
FOR FISCAL YEAR 2013-2014  
(WITH OFFICIAL 2012-2013 MEMORANDUM TOTALS)**

|  | 199<br>General<br>Fund | 101<br>Food Service<br>Fund | 599<br>Debt Service<br>Fund | 2013-2014<br>Memo<br>Totals | 2012-2013<br>Memo<br>Totals |
|--|------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>23 School Administration</b>              |                        |                             |                             |                             |                             |
| 6100 Payroll Costs                           | \$ 6,135,396           | \$ -                        | \$ -                        | \$ 6,135,396                | \$ 5,084,812                |
| 6200 Professional & Contracted Services      | 75,520                 | -                           | -                           | 75,520                      | 72,013                      |
| 6300 Supplies and Materials                  | 99,517                 | -                           | -                           | 99,517                      | 522,783                     |
| 6400 Other Operating Expenses                | 136,639                | -                           | -                           | 136,639                     | 136,321                     |
| <b>23 Total School Administration</b>        | <b>\$ 6,447,072</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 6,447,072</b>         | <b>\$ 5,815,929</b>         |
| <b>31 Guidance Counseling Services</b>       |                        |                             |                             |                             |                             |
| 6100 Payroll Costs                           | \$ 4,808,160           | \$ -                        | \$ -                        | \$ 4,808,160                | \$ 4,008,353                |
| 6200 Professional & Contracted Services      | 10,940                 | -                           | -                           | 10,940                      | 11,269                      |
| 6300 Supplies and Materials                  | 114,029                | -                           | -                           | 114,029                     | 161,975                     |
| 6400 Other Operating Expenses                | 49,397                 | -                           | -                           | 49,397                      | 48,501                      |
| <b>31 Total Guidance Counseling Services</b> | <b>\$ 4,982,526</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 4,982,526</b>         | <b>\$ 4,230,098</b>         |
| <b>32 Social Work Services</b>               |                        |                             |                             |                             |                             |
| 6100 Payroll Costs                           | \$ 1,178,381           | \$ -                        | \$ -                        | \$ 1,178,381                | \$ 952,413                  |
| 6200 Professional & Contracted Services      | 5,300                  | -                           | -                           | 5,300                       | 8,795                       |
| 6300 Supplies and Materials                  | 20,530                 | -                           | -                           | 20,530                      | 22,496                      |
| 6400 Other Operating Expenses                | 8,748                  | -                           | -                           | 8,748                       | 7,903                       |
| <b>32 Social Work Services</b>               | <b>\$ 1,212,959</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 1,212,959</b>         | <b>\$ 991,607</b>           |
| <b>33 Health Services</b>                    |                        |                             |                             |                             |                             |
| 6100 Payroll Costs                           | \$ 1,389,553           | \$ -                        | \$ -                        | \$ 1,389,553                | \$ 1,365,599                |
| 6200 Professional & Contracted Services      | 209,655                | -                           | -                           | 209,655                     | 208,150                     |
| 6300 Supplies and Materials                  | 33,202                 | -                           | -                           | 33,202                      | 36,561                      |
| 6400 Other Operating Expenses                | 10,250                 | -                           | -                           | 10,250                      | 8,500                       |
| 6600 Capital Outlay                          | 1,500                  | -                           | -                           | 1,500                       | 1,500                       |
| <b>33 Total Health Services</b>              | <b>\$ 1,644,160</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 1,644,160</b>         | <b>\$ 1,620,310</b>         |

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**DONNA INDEPENDENT SCHOOL DISTRICT  
OFFICIAL BUDGET  
FOR FISCAL YEAR 2013-2014  
(WITH OFFICIAL 2012-2013 MEMORANDUM TOTALS)**

|   | 199<br>General<br>Fund | 101<br>Food Service<br>Fund | 599<br>Debt Service<br>Fund | 2013-2014<br>Memo<br>Totals | 2012-2013<br>Memo<br>Totals |
|---|------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>34 Student Transportation</b>              |                        |                             |                             |                             |                             |
| 6100 Payroll Costs                            | \$ 3,205,524           | \$ -                        | \$ -                        | \$ 3,205,524                | \$ 2,943,214                |
| 6200 Professional & Contracted Services       | 79,500                 | -                           | -                           | 79,500                      | 79,342                      |
| 6300 Supplies and Materials                   | 621,852                | -                           | -                           | 621,852                     | 662,665                     |
| 6400 Other Operating Expenses                 | 14,218                 | -                           | -                           | 14,218                      | 368,454                     |
| 6600 Capital Outlay                           | 11,000                 | -                           | -                           | 11,000                      | 2,320,047                   |
| <b>34 Total Student Transportation</b>        | <b>\$ 3,932,094</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 3,932,094</b>         | <b>\$ 6,373,722</b>         |
| <b>35 Food Services</b>                       |                        |                             |                             |                             |                             |
| 6100 Payroll Costs                            | \$ 250,000             | \$ 3,565,564                | \$ -                        | \$ 3,815,564                | \$ 3,661,176                |
| 6200 Professional & Contracted Services       | -                      | 260,217                     | -                           | 260,217                     | 310,824                     |
| 6300 Supplies and Materials                   | -                      | 6,641,773                   | -                           | 6,641,773                   | 6,801,043                   |
| 6400 Other Operating Expenses                 | -                      | 89,000                      | -                           | 89,000                      | 86,993                      |
| 6600 Capital Outlay                           | -                      | 230,000                     | -                           | 230,000                     | 342,396                     |
| <b>35 Total Food Services</b>                 | <b>\$ 250,000</b>      | <b>\$ 10,786,554</b>        | <b>\$ -</b>                 | <b>\$ 11,036,554</b>        | <b>\$ 11,202,432</b>        |
| <b>36 Co/Extracurricular Activities</b>       |                        |                             |                             |                             |                             |
| 6100 Payroll Costs                            | \$ 2,459,994           | \$ -                        | \$ -                        | \$ 2,459,994                | \$ 2,237,499                |
| 6200 Professional & Contracted Services       | 286,221                | -                           | -                           | 286,221                     | 304,186                     |
| 6300 Supplies and Materials                   | 836,830                | -                           | -                           | 836,830                     | 2,842,242                   |
| 6400 Other Operating Expenses                 | 1,396,477              | -                           | -                           | 1,396,477                   | 687,428                     |
| 6600 Capital Outlay                           | 24,000                 | -                           | -                           | 24,000                      | 647,618                     |
| <b>36 Total Co/Extracurricular Activities</b> | <b>\$ 5,003,522</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 5,003,522</b>         | <b>\$ 6,718,973</b>         |
| <b>41 General Administration</b>              |                        |                             |                             |                             |                             |
| 6100 Payroll Costs                            | \$ 3,601,560           | \$ -                        | \$ -                        | \$ 3,601,560                | \$ 2,936,435                |
| 6200 Professional & Contracted Services       | 1,264,302              | -                           | -                           | 1,264,302                   | 1,211,016                   |
| 6300 Supplies and Materials                   | 212,877                | -                           | -                           | 212,877                     | 225,720                     |
| 6400 Other Operating Expenses                 | 619,318                | -                           | -                           | 619,318                     | 664,438                     |
| 6600 Capital Outlay                           | 20,000                 | -                           | -                           | 20,000                      | 20,000                      |
| <b>41 Total General Administration</b>        | <b>\$ 5,718,057</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 5,718,057</b>         | <b>\$ 5,057,609</b>         |

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**DONNA INDEPENDENT SCHOOL DISTRICT  
OFFICIAL BUDGET  
FOR FISCAL YEAR 2013-2014  
(WITH OFFICIAL 2012-2013 MEMORANDUM TOTALS)**

|  | 199<br>General<br>Fund | 101<br>Food Service<br>Fund | 599<br>Debt Service<br>Fund | 2013-2014<br>Memo<br>Totals | 2012-2013<br>Memo<br>Totals |
|--|------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>51 Plant Maintenance and Operation</b>        |                        |                             |                             |                             |                             |
| 6100 Payroll Costs                               | \$ 7,307,555           | \$ -                        | \$ -                        | \$ 7,307,555                | \$ 6,875,150                |
| 6200 Professional & Contracted Services          | 5,157,311              | 425,000                     | -                           | 5,582,311                   | 5,099,716                   |
| 6300 Supplies and Materials                      | 1,181,513              | -                           | -                           | 1,181,513                   | 1,046,978                   |
| 6400 Other Operating Expenses                    | 851,642                | -                           | -                           | 851,642                     | 749,785                     |
| 6500 Debt Service                                | -                      | -                           | -                           | -                           | 136,500                     |
| 6600 Capital Outlay                              | 110,571                | -                           | -                           | 110,571                     | -                           |
| <b>51 Total Plant Maintenance and Operation</b>  | <b>\$ 14,608,592</b>   | <b>\$ 425,000</b>           | <b>\$ -</b>                 | <b>\$ 15,033,592</b>        | <b>\$ 13,908,129</b>        |
| <b>52 Security and Monitoring Services</b>       |                        |                             |                             |                             |                             |
| 6100 Payroll Costs                               | \$ 1,794,374           | \$ -                        | \$ -                        | \$ 1,794,374                | \$ 1,785,058                |
| 6200 Professional & Contracted Services          | 55,100                 | -                           | -                           | 55,100                      | 43,456                      |
| 6300 Supplies and Materials                      | 107,275                | -                           | -                           | 107,275                     | 95,217                      |
| 6400 Other Operating Expenses                    | 44,920                 | -                           | -                           | 44,920                      | 59,381                      |
| 6600 Capital Outlay                              | 8,000                  | -                           | -                           | 8,000                       | 45,800                      |
| <b>52 Total Security and Monitoring Services</b> | <b>\$ 2,009,669</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 2,009,669</b>         | <b>\$ 2,028,912</b>         |
| <b>53 Data Processing Services</b>               |                        |                             |                             |                             |                             |
| 6100 Payroll Costs                               | \$ 1,088,072           | \$ -                        | \$ -                        | \$ 1,088,072                | \$ 1,022,208                |
| 6200 Professional & Contracted Services          | 382,772                | -                           | -                           | 382,772                     | 386,647                     |
| 6300 Supplies and Materials                      | 242,101                | -                           | -                           | 242,101                     | 109,948                     |
| 6400 Other Operating Expenses                    | 33,900                 | -                           | -                           | 33,900                      | 28,389                      |
| 6500 Debt Service                                | -                      | -                           | -                           | -                           | 60,285                      |
| 6600 Capital Outlay                              | 61,893                 | -                           | -                           | 61,893                      | -                           |
| <b>53 Total Data Processing Services</b>         | <b>\$ 1,808,738</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 1,808,738</b>         | <b>\$ 1,607,477</b>         |
| <b>61 Community Services</b>                     |                        |                             |                             |                             |                             |
| 6100 Payroll Costs                               | \$ 228,681             | \$ -                        | \$ -                        | \$ 228,681                  | \$ 240,956                  |
| 6200 Professional & Contracted Services          | 3,028                  | -                           | -                           | 3,028                       | 3,880                       |
| 6300 Supplies and Materials                      | 6,336                  | -                           | -                           | 6,336                       | 9,156                       |
| 6400 Other Operating Expenses                    | 8,856                  | -                           | -                           | 8,856                       | 4,806                       |
| <b>61 Total Community Services</b>               | <b>\$ 246,901</b>      | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 246,901</b>           | <b>\$ 258,798</b>           |

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**DONNA INDEPENDENT SCHOOL DISTRICT  
OFFICIAL BUDGET  
FOR FISCAL YEAR 2013-2014  
(WITH OFFICIAL 2012-2013 MEMORANDUM TOTALS)**

|   | 199<br>General<br>Fund | 101<br>Food Service<br>Fund | 599<br>Debt Service<br>Fund | 2013-2014<br>Memo<br>Totals | 2012-2013<br>Memo<br>Totals |
|---|------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>71 Debt Services</b>                                 |                        |                             |                             |                             |                             |
| 6500 Debt Service                                       | \$ 1,070,521           | \$ -                        | \$ 9,090,830                | \$ 10,161,351               | \$ 10,762,170               |
| <b>71 Total Debt Services</b>                           | <b>\$ 1,070,521</b>    | <b>\$ -</b>                 | <b>\$ 9,090,830</b>         | <b>\$ 10,161,351</b>        | <b>\$ 10,762,170</b>        |
| <b>81 Facilities Acquisition and Construction</b>       |                        |                             |                             |                             |                             |
| 6600 Capital Outlay                                     | \$ 2,800,000           | \$ -                        | \$ -                        | \$ 2,800,000                | \$ 6,500,000                |
| <b>81 Total Facilities Acquisition and Construction</b> | <b>\$ 2,800,000</b>    | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 2,800,000</b>         | <b>\$ 6,500,000</b>         |
| <b>95 Juvenile Justice Alternative</b>                  |                        |                             |                             |                             |                             |
| 6200 Professional & Contracted Services                 | \$ 113,760             | \$ -                        | \$ -                        | \$ 113,760                  | \$ 113,760                  |
| <b>95 Juvenile Justice Alternative</b>                  | <b>\$ 113,760</b>      | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 113,760</b>           | <b>\$ 113,760</b>           |
| <b>6000 TOTAL APPROPRIATED EXPENDITURES</b>             | <b>\$ 130,267,772</b>  | <b>\$ 11,211,554</b>        | <b>\$ 9,090,830</b>         | <b>\$ 150,570,156</b>       | <b>\$ 153,061,796</b>       |
| <b>1100 Net (Revenues-Expenditures)</b>                 | <b>\$ 956,830</b>      | <b>\$ -</b>                 | <b>\$ (956,830)</b>         | <b>\$ -</b>                 | <b>\$ (8,582,515)</b>       |
| <b>OTHER RESOURCES:</b>                                 |                        |                             |                             |                             |                             |
| 7913 Proceeds from Capital Leases                       | \$ -                   | \$ -                        | \$ -                        | \$ -                        | \$ 1,377,417                |
| 7915 Transfer-in  | -                      | -                           | 956,830                     | 956,830                     | 1,112,499                   |
| <b>7000-TOTAL-OTHER RESOURCES</b>                       | <b>\$ -</b>            | <b>\$ -</b>                 | <b>\$ 956,830</b>           | <b>\$ 956,830</b>           | <b>\$ 2,489,916</b>         |
| <b>OTHER USES:</b>                                      |                        |                             |                             |                             |                             |
| 8911 Transfer Out                                       | \$ 956,830             | \$ -                        | \$ -                        | \$ 956,830                  | \$ 5,740,407                |
| <b>8000- TOTAL - OTHER USES</b>                         | <b>\$ 956,830</b>      | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ 956,830</b>           | <b>\$ 5,740,407</b>         |
| <b>9000 Net (Other Resources-Other Uses)</b>            | <b>\$ (956,830)</b>    | <b>\$ -</b>                 | <b>\$ 956,830</b>           | <b>\$ -</b>                 | <b>\$ (3,250,491)</b>       |
| <b>1200 (1100+9000)</b>                                 | <b>\$ -</b>            | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ -</b>                 | <b>\$ (11,833,005)</b>      |

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**DONNA INDEPENDENT SCHOOL DISTRICT  
OFFICIAL BUDGET  
FOR FISCAL YEAR 2013-2014  
(WITH OFFICIAL 2012-2013 MEMORANDUM TOTALS)**

|  | <b>199<br/>General<br/>Fund</b> | <b>101<br/>Food Service<br/>Fund</b> | <b>599<br/>Debt Service<br/>Fund</b> | <b>2013-2014<br/>Memo<br/>Totals</b> | <b>2012-2013<br/>Memo<br/>Totals</b> |
|--|---------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>6100 Payroll Costs</b>                          | <b>107,533,778</b>              | <b>3,565,564</b>                     | <b>-</b>                             | <b>111,099,342</b>                   | <b>100,653,150</b>                   |
| <b>6200 Professional &amp; Contracted Services</b> | <b>8,706,122</b>                | <b>685,217</b>                       | <b>-</b>                             | <b>9,391,339</b>                     | <b>9,618,036</b>                     |
| <b>6300 Supplies and Materials</b>                 | <b>5,456,810</b>                | <b>6,641,773</b>                     | <b>-</b>                             | <b>12,098,583</b>                    | <b>16,683,917</b>                    |
| <b>6400 Other Operating Expenses</b>               | <b>4,263,577</b>                | <b>89,000</b>                        | <b>-</b>                             | <b>4,352,577</b>                     | <b>3,989,381</b>                     |
| <b>6500 Debt Service</b>                           | <b>1,070,521</b>                | <b>-</b>                             | <b>9,090,830</b>                     | <b>10,161,351</b>                    | <b>10,958,955</b>                    |
| <b>6600 Capital Outlay</b>                         | <b>3,236,964</b>                | <b>230,000</b>                       | <b>-</b>                             | <b>3,466,964</b>                     | <b>11,158,357</b>                    |
| <b>Total</b>                                       | <b>\$ 130,267,772</b>           | <b>\$ 11,211,554</b>                 | <b>\$ 9,090,830</b>                  | <b>\$ 150,570,156</b>                | <b>\$ 153,061,796</b>                |
|  | -                               | -                                    | -                                    | -                                    | -                                    |

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