

# 2024-25 Budget Summary



**Growing Greatness**  
**#LearningTodayLeadingTomorrow**

Budget Adoption: August 26, 2024

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August 26, 2024

Dear Distinguished Members of the Board of Trustees,

This report presents a summary of the 2024-25 budget as currently recommended by Gonzales Independent School District's administration for adoption. The budget described in this handout is the result of many hours of hard work by many individuals from campuses, departments, and administration.

We hope the information in this report is useful and easy to understand. We welcome your feedback. On the pages that follow, we've included an overview of what we believe are the most important elements to highlight:

- Introductory Section: Budgeting Goals, Influencing Factors, Budgeting Process
- Historical Data
- General Fund (199)
- Debt Service Fund (599)
- Food Service Fund (240)
- Tax Rates

We look forward to many more years of growing greatness!

In service,

A handwritten signature in black ink that reads "Amanda Reed Smith". The signature is written in a cursive, flowing style.

Amanda Reed Smith  
Chief Financial Officer

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## **Introductory Section**

### **2022-27 District Priorities:**

1. Developing effective communication strategies
2. Focusing on students and the work provided to students
3. Recruiting, Inducting, and Retaining High-Quality Staff
4. Strategic Resource Management

### **Budgeting Process**

The adoption of the budget is the culmination of many months of planning and decision-making to align resources with needs. Preparation of the district's 2024-25 budget began in the Fall of 2023 when district-level administration began studying trends and projecting average daily attendance - one of the main driving forces of the budget. We pressed on with the administration kicking off site-based decision budgeting in April with budget managers receiving budget development guidance and allocations (campus). Individual meetings were held as needed (i.e. principals and directors) to ensure district stakeholders were aligned and supported in reviewing their programs, budgets, requests for additional funds, and expenditure trends. Separate staffing meetings were held with each campus principal to ensure staffing levels at the campuses were sufficient to meet needs.

The budget is adopted at the functional level which means the board authorizes the administration to expend funds within general operational areas (i.e. instruction, maintenance, transportation, etc.). Whenever the budget needs to be amended between these functional areas or when revenues/expenditures need to be increased or decreased, the budget must be amended by board action prior to expenditures being made.

The Board is required by law to adopt three budgets: the general fund (199), the food service fund (240), and the debt service fund (599). Other budgets, such as federal grants, do not require board approval. These non-adopted budgets are managed by the grant manager(s) according to the guidelines laid out by the granting organization and are reported to the board during the year.

## Summary of Proposed Budgets

Data as of August 20, 2024

GONZALES INDEPENDENT SCHOOL DISTRICT				
2024 - 2025 PROPOSED BUDGET				
		FUND 199	FUND 240	FUND 599
REVENUES				
5700	Local Property Taxes	22,627,471		4,086,373
5700	Other Local Sources	1,261,884	173,007	100,000
5800	State Revenues	6,001,562	7,500	95,484
5900	Federal Sources	517,148	1,927,127	
TOTAL REVENUES		30,408,065	2,107,634	4,281,857
EXPENDITURES				
0011	Instruction	16,282,597		
0012	Instructional Resources & Media Services	354,186		
0013	Curriculum & Staff Development	1,150,545		
0021	Instructional Leadership	539,481		
0023	School Leadership	2,158,414		
0031	Guidance, Counseling, & Evaluation	894,142		
0032	Social Work Services	155,013		
0033	Health Services	449,601		
0034	Student Transportation	1,510,881		
0035	Food Service	15,119	2,108,134	
0036	Co-Curricular/Extra-Curricular Activities	1,220,930		
0041	General Administration	2,056,540		
0051	Plant Maintenance and Operations	4,400,463		
0052	Security & Monitoring Services	941,216		
0053	Data Processing Services	1,240,472		
0061	Community Services	5,700		
0071	Debt Services	793,849		4,281,857
0091	Contracted Inst Services Btw Public Schools	0		
0099	Other Intergovernmental Charges	567,300		
TOTAL EXPENDITURES		34,736,449	2,108,134	4,281,857
7915	Operational Transfer In		500	
8911	Operational Transfer Out	500		
PROJECTED NET ACTIVITY		<u>\$ (4,328,884)</u>	<u>\$ -</u>	<u>\$ -</u>

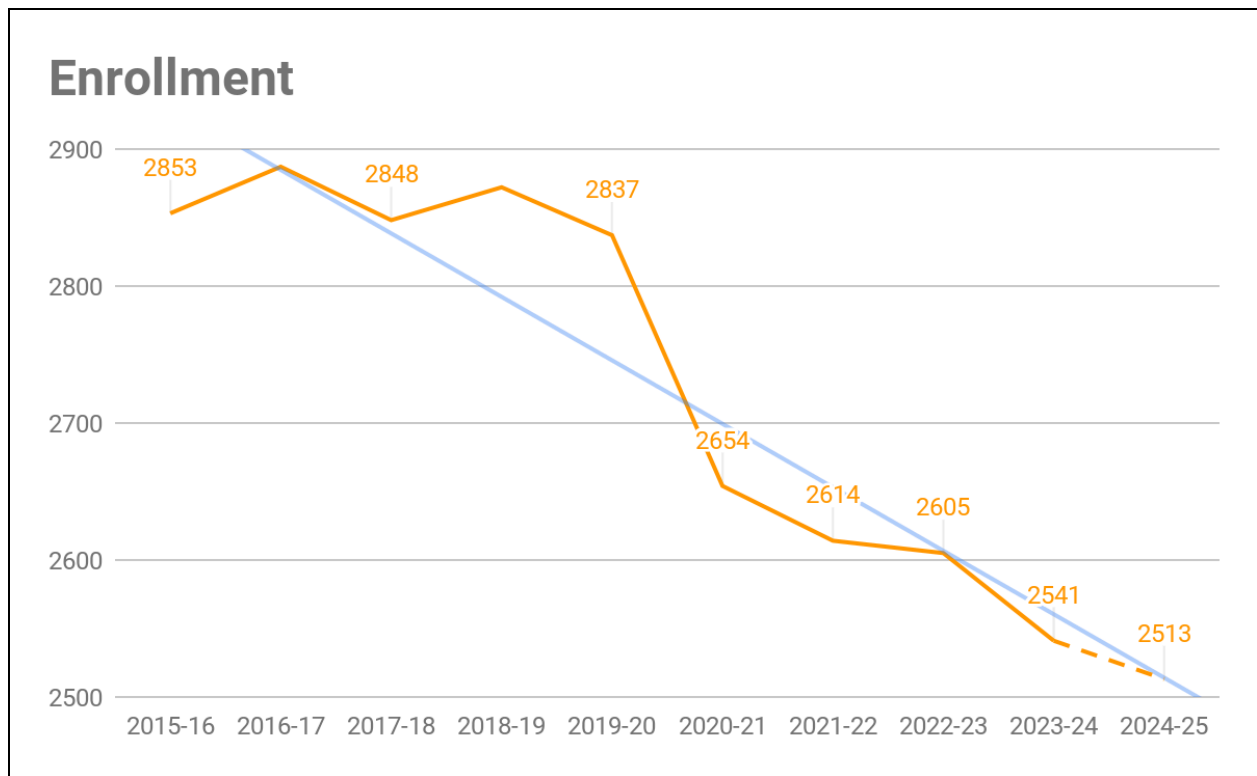
## Historical Data

Analyzing historical data and trends assists us with forecasting the future.

### Enrollment

The chart below shows our historical October snapshot enrollment. It is important to look at enrollment to anticipate facility and staffing needs as well as property wealth estimation. As a result of the COVID-19 pandemic, enrollment has declined since the 2019-20 school year. Using summer 2024 registration numbers and prior year trends, the district used 2,513 as the 2024-25 enrollment for planning purposes.

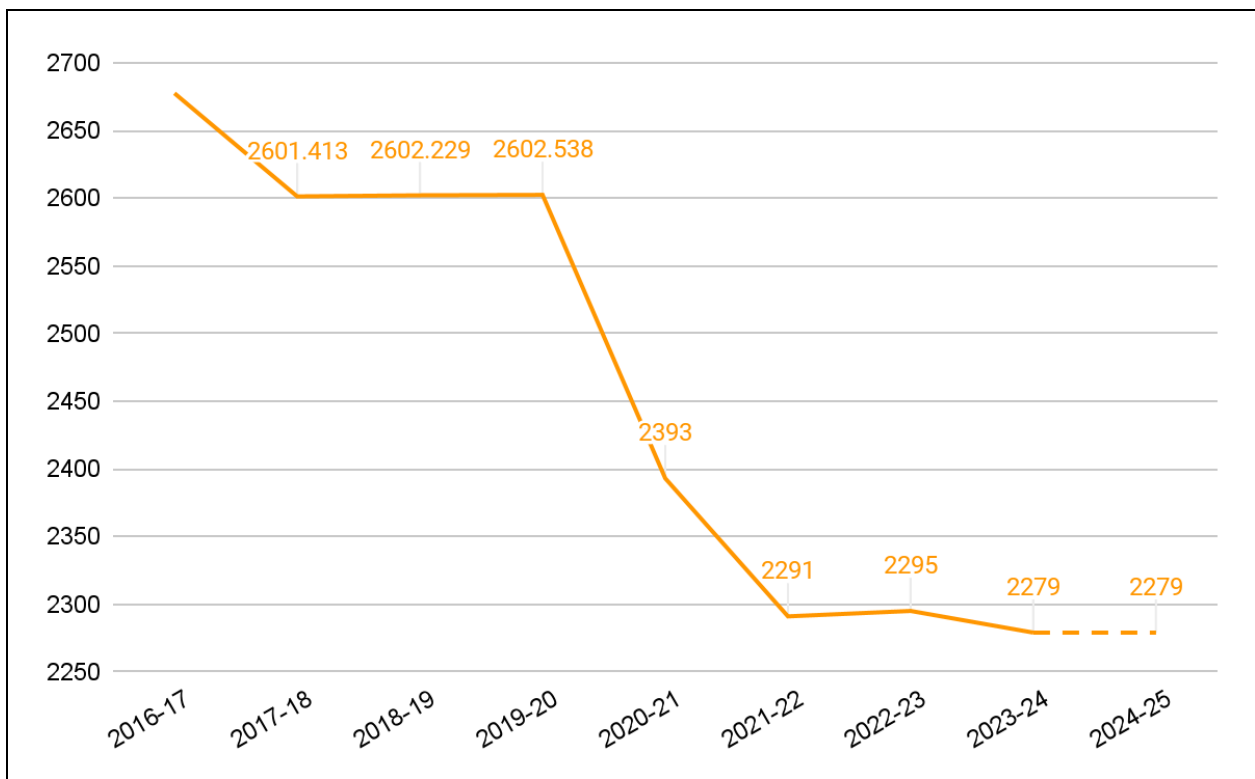
The blue line reflects the trend.



## Average Daily Attendance (ADA)

While enrollment is used for facilities planning, attendance is what is used to forecast state revenue. The state calculates our funding on average daily attendance (ADA). The chart below reflects the number of students we've had in attendance on average each day. Five years ago, on the heels of the COVID-19 pandemic, Gonzales ISD experienced an abnormal dip, but it has mostly leveled off.

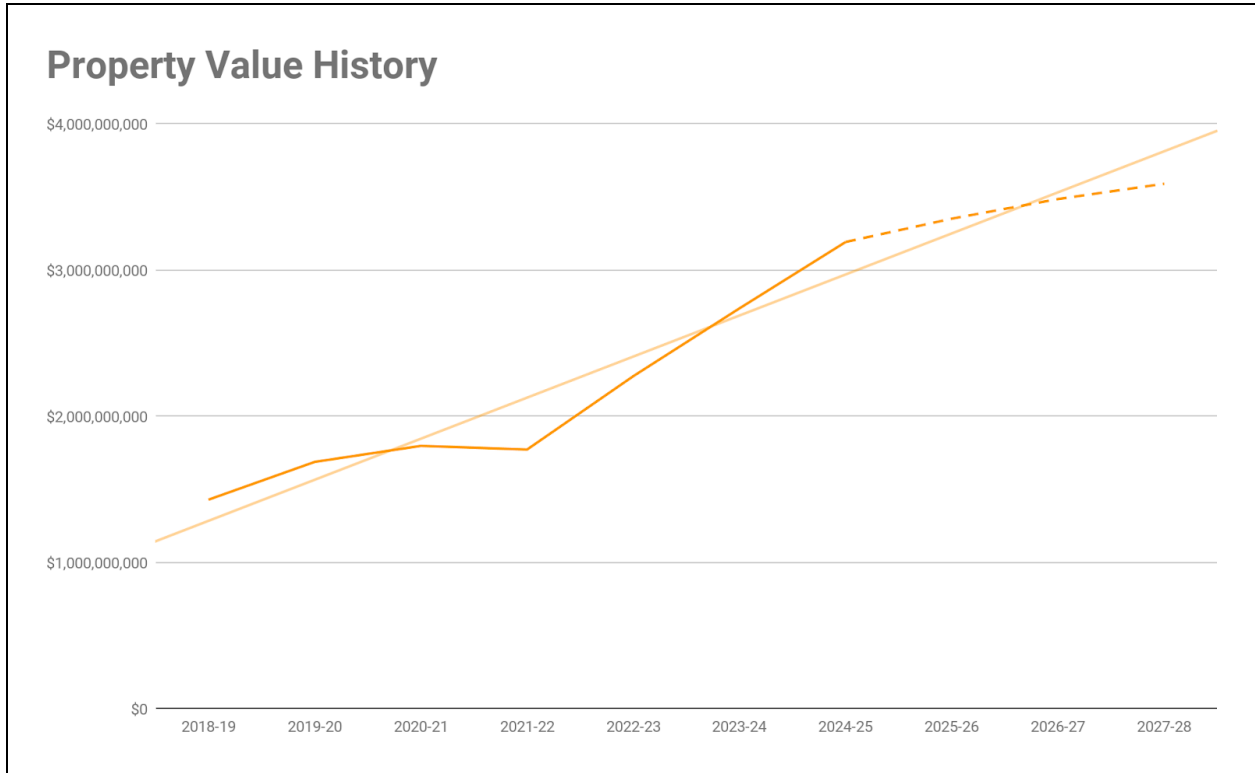
Due to the district's conservative budgeting approach as well as the recent trend, the administration has prepared the 2024-25 budget to assume no change to ADA from the 2023-24 school year actual rate.





## Property Values

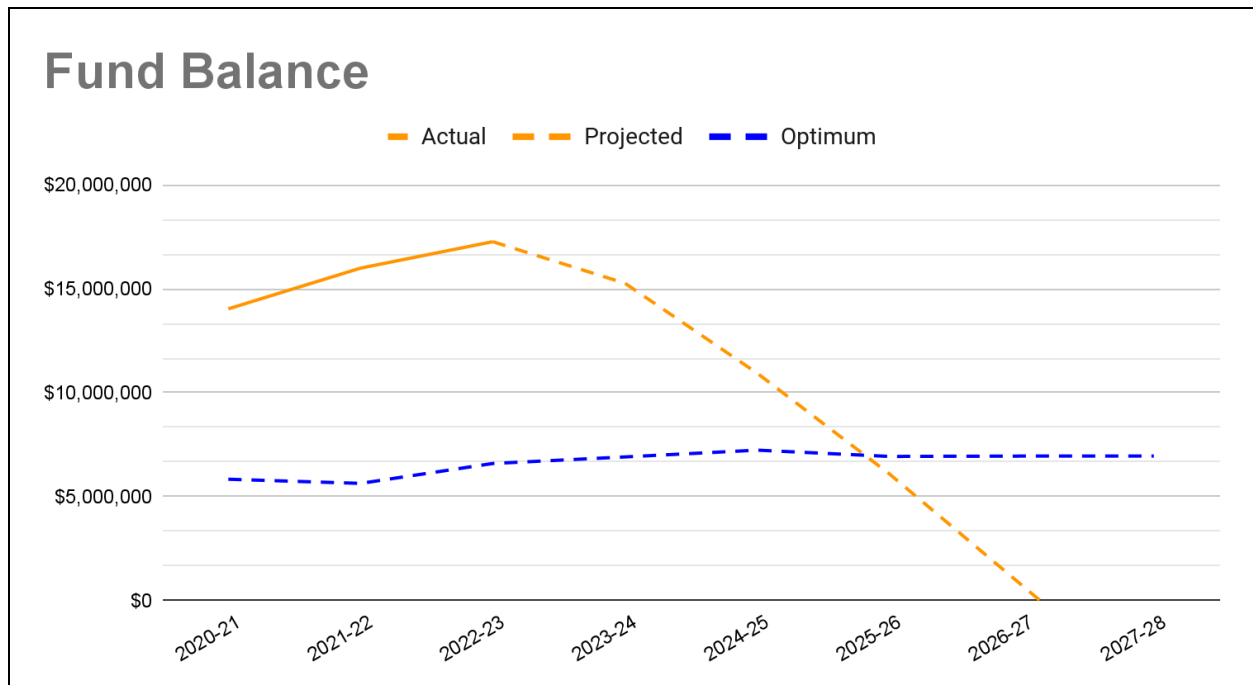
Due to fluctuations with Gonzales County mineral values, the district's tax base has also varied wildly over recent years. Since July 2023, values have increased by just over 16% and are projected to continue to increase in the coming years.



## Fund Balance

Optimum fund balance for the General Fund is defined as approximately 2.5 months worth of operating expenditures. One of the primary financial goals of the District is maintaining a healthy fund balance.

As a result of collaborative efforts, the district has achieved that goal in recent years. As you can see in the chart below, the fund balance has recently grown. This has set the district up well for the coming years. Through a continued focus on expending funds in support of the strategic plan and a strategic integration of funding sources, the district anticipates being able to avoid the projected intersection in 2026.



## **General Fund (199)**

The General Fund is used to support the basic operations of the school district (i.e. basic instructional services, administration, maintenance and operations, etc.). Revenue primarily comes from the M&O portion of the tax rate and the Texas Education Agency (commonly referred to as state aid). Other revenue sources for this fund include ticket sales from athletic events, interest earnings, and federal revenue from SHARS reimbursements which are Medicaid reimbursements we request for providing certain health-related services to students with disabilities.

### **Highlights / Changes from 2023-24**

*(Summary of the Proposed Budget found on Page 13)*

House Bill 3 passed during the 2023 Texas Legislative Session mandated additional M&O tax compression for school districts. The majority of that compression was experienced last year with a slight addition felt this year. Local tax collections are anticipated to increase, despite that compression, due to increased property values. The district received a significant amount of funding through the federal E-rate program during 2023-24. That funding is generally brought in mid-year resulting in the originally adopted federal program revenue artificially appearing to have decreased.

### **Capital Outlay**

The Capital Outlay category captures expenditures for capital assets. Capital assets are defined as anything over \$5,000 per unit with a useful life of more than one (1) year. The 2024-25 original General Fund budget includes capital outlay items as follows:

1. One (1) professional development vehicle
2. One (1) yellow school bus
3. One (1) maintenance and operations vehicle
4. One (1) patrol car
5. Equipment to support the career & technical education, band, & security programs.

### **Compensation Increases**

The proposed budget includes a salary increase package designed to retain and recruit high-quality staff, as presented and approved at the July 2024 board meetings.

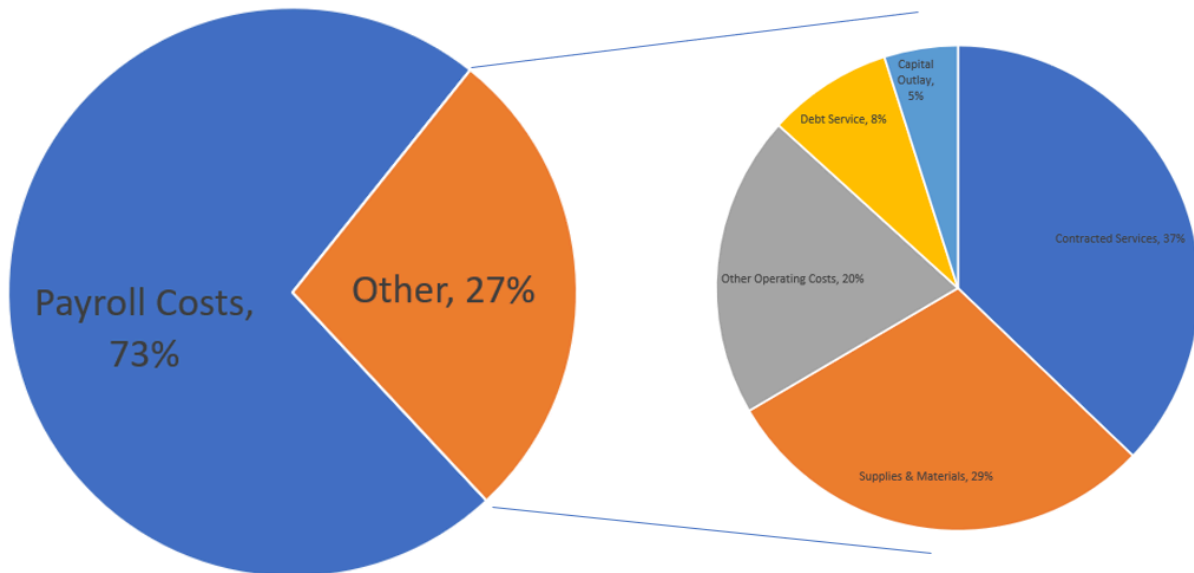
## Personnel Changes (FTEs)

	2023-24	2024-25	Change	Notes
Central Admin	11	12.5	1.5	+Exec Dir C&I; +HR Director, -0.5 Exec Dir Leadership
Campus Admin	15.5	14.5	-1	-HS Academic Dean, -JH Academic Dean, +HS AP
Teachers/Lib/Trainer/Band & Athletic Directors	186	181	-5	-Athl Coord, -Kinder Tch, -2nd Grade Tch, +GE Lifeskills Tch, -3rd Grade Tch, -2 5th Grade Tch, -1 GNA SpEd Tch, +JH Lifeskills Tch
Aides / Clerical / Truancy	100	108	8	+Accounting Clerk; -MTSS Facilitator, +2 GE Aides, +2 GNA Aides, +2 JH Aides, +2 HS Aides
Police Officers	5	5	-	
Instructional Coaches; ACE Site Coord; Prog Coord	18	20	2	-Business Manager; +Elem Inst Coord, +Sec. Inst Coord; +Stud.Success Coord, +Talent Advisor Coord, -Inst Coach Coord, -TCLAS Specialist, +Stud Supports Coord
Counselors & Nurses	12	12.1	0.1	-0.5 GPA Counselor, +0.6 HS Counselor
Technology & Special Prog	21	21	-	
Cust/Maint/FS/Trans	93	93	-	
<b>Total FTEs</b>	461.5	467.1	<b>5.6</b>	

## Expenditure Levels

The proposed expenditures budget for fiscal year 2024-25 is \$34,736,449. 72% of the budget is for salaries and benefits while the remaining 28% is budgeted for contracted services, supplies and materials, capital outlay, debt service, and other operating costs.

The chart below portrays the breakdown of budgeted expenditures by object.





**GONZALES INDEPENDENT SCHOOL DISTRICT  
2024 - 2025 PROPOSED BUDGET  
GENERAL FUND**

*data as of 8/20/2024*

	<b>2022-23 Actual</b>	<b>2023-24 Amended Budget</b>	<b>2024-25 Preliminary Budget</b>	<b>Variance</b>
<b>REVENUES</b>				
5700 Local Property Taxes	21,711,287	20,030,181	22,627,471	2,597,290
5700 Other Local Sources	1,651,236	975,429	1,261,884	286,455
5800 State Revenues	6,200,731	8,069,636	6,001,562	(2,068,074)
5900 Federal Sources	1,853,097	896,139	517,148	(378,991)
<b>TOTAL REVENUES</b>	<b>31,416,351</b>	<b>29,971,385</b>	<b>30,408,065</b>	<b>436,680</b>
<b>EXPENDITURES</b>				
0011 Instruction	14,544,546	16,283,519	16,282,597	-922
0012 Instructional Resources & Media Services	132,000	355,710	354,186	-1,524
0013 Curriculum & Staff Development	622,654	644,539	1,150,545	508,006
0021 Instructional Leadership	254,384	524,292	539,481	15,189
0023 School Leadership	1,642,958	1,859,291	2,158,414	299,123
0031 Guidance, Counseling, & Evaluation	1,087,105	937,188	894,142	-43,046
0032 Social Work Services	400	78,345	155,013	76,668
0033 Health Services	407,728	412,113	449,601	37,488
0034 Student Transportation	1,178,516	1,444,811	1,510,881	66,070
0035 Food Service	13,781	15,000	15,119	119
0036 Co-Curricular/Extra-Curricular Activities	1,070,046	1,308,420	1,220,930	-87,490
0041 General Administration	1,763,779	1,960,953	2,056,540	95,587
0051 Plant Maintenance and Operations	4,740,122	4,594,521	4,400,463	-194,058
0052 Security & Monitoring Services	365,949	968,344	941,216	-27,128
0053 Data Processing Services	937,621	1,251,677	1,240,472	-11,205
0061 Community Services	96,557	14,350	5,700	-8,650
0071 Debt Services	787,165	751,496	793,849	42,353
0081 Facilities Acquisition & Instruction	195,931	887,730	0	-887,730
0091 Contracted Inst Svcs Btw Public Schools	0	314,527	0	-314,527
0099 Other Intergovernmental Charges	509,371	514,828	567,300	52,472
	<b>30,350,614</b>	<b>35,121,654</b>	<b>34,736,449</b>	<b>(385,205)</b>
7912 Sale of Property				
7913 Capital Lease Proceeds	206,460			
8911 Operational Transfer Out	-	500	500	0
<b>PROJECTED NET ACTIVITY</b>	<b>1,272,197</b>	<b>(5,150,769)</b>	<b>(4,328,884)</b>	<b>821,885</b>
Fund Balance, Beginning	15,998,324	17,270,521	12,119,752	
Fund Balance, Ending	17,270,521	12,119,752	7,790,868	

## **Food Service Fund (240)**

The food service fund is used to support our child nutrition program. Revenues come from the federal government, state government, and payments from individuals who purchase food from the cafeterias. Monies may only be used in support of this program. The Director of Child Nutrition is the budget manager for this fund.

The fiscal year 2024-25 Food Service Fund budget is proposed with a balanced budget.

<b>GONZALES INDEPENDENT SCHOOL DISTRICT 2024 - 25 PROPOSED BUDGET FOOD SERVICE FUND</b>				
	<b>2022-23 Actual</b>	<b>2023-24 Amended Budget</b>	<b>2024-25 Proposed Budget</b>	<b>Variance</b>
<b>REVENUES</b>				
5700 Other Local Sources	168,784	131,163	173,007	41,844
5800 State Revenues	10,766	92,448	7,500	(84,948)
5900 Federal Sources	1,909,029	2,141,237	1,927,127	(214,110)
<b>TOTAL REVENUES</b>	<b>2,088,579</b>	<b>2,364,848</b>	<b>2,107,634</b>	<b>(257,214)</b>
<b>EXPENDITURES</b>				
0035 Food Service	1,897,741	2,365,348	2,108,134	(257,214)
<b>TOTAL EXPENDITURES</b>	<b>1,897,741</b>	<b>2,365,348</b>	<b>2,108,134</b>	<b>(257,214)</b>
7915 Operational Transfer In	0	500	500	0
<b>PROJECTED NET ACTIVITY</b>	<b>190,838</b>	<b>0</b>	<b>0</b>	<b>0</b>
Fund Balance, Beginning	525,504	716,342	716,342	0
Fund Balance, Ending	716,342	716,342	716,342	0



## **Debt Service Fund (599)**

The Debt Service Fund is used to pay our bonded indebtedness (debt authorized by voters during elections). Revenue from the I&S portion of the tax rate is deposited into this fund.

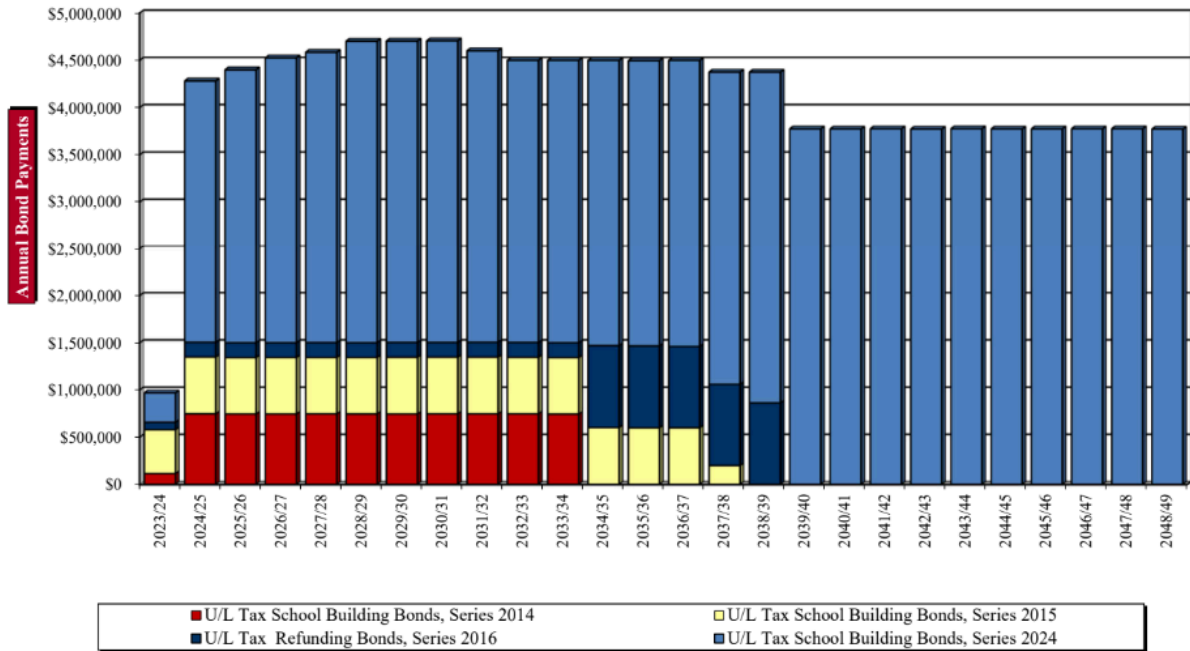
In 2013, voters authorized the district (via an election) to sell bonds. The bonds were sold as needed to minimize the amount of interest paid (4 issues all together). These proceeds were primarily used to open the Gonzales Primary Academy campus, add the student center and secure front office to the Gonzales High School campus, and add instructional wings to the North Avenue Intermediate and Gonzales Junior High School campuses.

Additionally, in 2023, voters authorized the district (via an election) to see bonds. The bonds were sold in one issue and the planned usage is a new CTE Facility, Ag Barn, and maintenance projects at various district facilities.

Repayment of these bond issues is why we currently have a Debt Service Fund and an I&S tax rate. The 2015B issue was completely paid off during the 2018-19 fiscal year. The remaining bonds are scheduled to be fully repaid in the 2049 fiscal year (as depicted in the chart below).

During the summer of 2023, the board of trustees saw an opportunity to refund the Series 2014 bonds at a lower interest rate. Additionally, the district had an opportunity to pay off a portion of the Series 2015 ahead of schedule - while lowering the total tax rate - through a defeasance resolution. These actions combined are anticipated to save the taxpayers of Gonzales ISD over \$1,000,000!

**Gonzales Independent School District  
Outstanding Unlimited Tax Debt Service by Series  
As of June 11, 2024**



Note: Debt service payments reflect payments from September 1 through August 31.

**GONZALES INDEPENDENT SCHOOL DISTRICT  
2024-25 PROPOSED BUDGET  
DEBT SERVICE FUND**

	2022-23 Actual	2023-24 Amended Budget	2024-25 Proposed Budget	Variance
<b>REVENUES</b>				
5700 Local Property Taxes	1,633,706	2,563,332	4,086,373	1,523,041
5700 Other Local Sources	71,358	50,040	100,000	49,960
5800 State Revenues	27,850	7,754	95,484	87,730
<b>TOTAL REVENUES</b>	<b>1,732,914</b>	<b>2,621,126</b>	<b>4,281,857</b>	<b>1,660,731</b>
<b>EXPENDITURES</b>				
0071 Debt Services	1,545,506	3,408,826	4,281,857	873,031
<b>TOTAL EXPENDITURES</b>	<b>1,545,506</b>	<b>3,408,826</b>	<b>4,281,857</b>	<b>873,031</b>
7916 Prem. or Disc. on Issuance of Bonds		787,700		(787,700)
<b>PROJECTED NET ACTIVITY</b>	<b>187,408</b>	<b>0</b>	<b>0</b>	<b>0</b>
Fund Balance, Beginning	698,194	885,602	885,602	0
Fund Balance, Ending	885,602	885,602	885,602	0

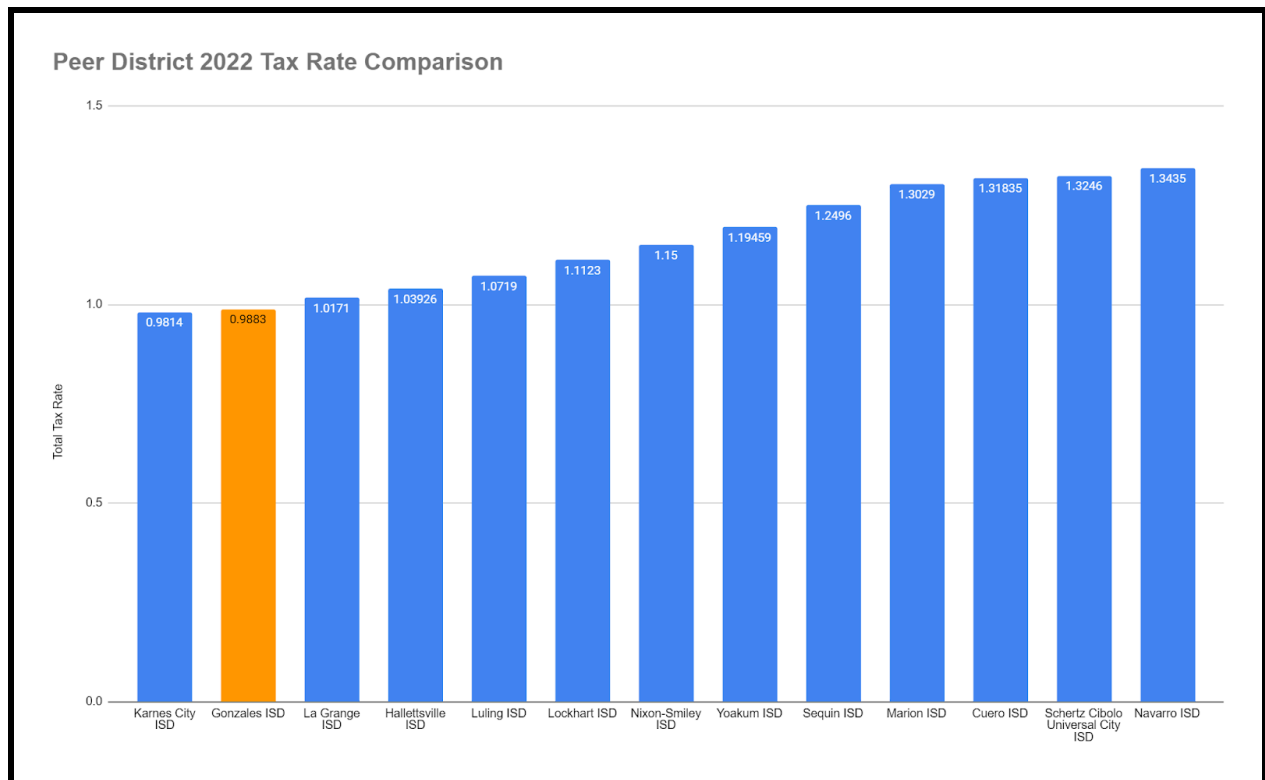
## Tax Rate

The tax rate administration is recommending for adoption is:

M&O	\$0.7308
I&S	\$0.1326
Total Tax Rate	\$0.8634

The District has historically had one of the lowest tax rates in the surrounding Districts.

The 2019 & 2023 legislative sessions had a large impact on the \$0.3166 decrease in total tax rate the district will have experienced in the most recent six years. House Bill 3 and Senate Bill 2 both mandated districts compress their maintenance and operations (M&O) tax rates as a means of lowering the dependency on local property taxes for financing public education. As a result, the maximum M&O rate Gonzales ISD can adopt is \$0.7331. The administration recommends adopting the maximum M&O tax rate allowed by law to ensure maximum state funding is received.



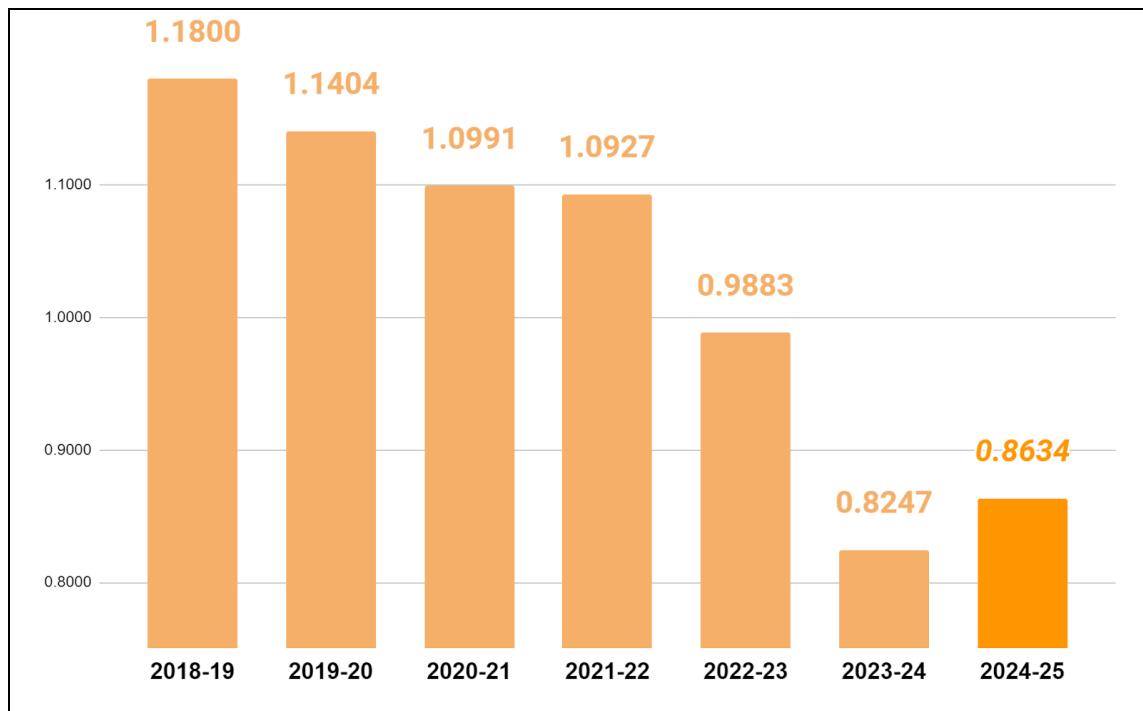
**Gonzales Independent School District  
Historical Property Tax Rates  
Per \$100 Valuation**

<b>Fiscal Year</b>	<b>Maintenance &amp; Operations Rate</b>	<b>Interest &amp; Sinking Rate</b>	<b>Total Tax Rate</b>
2024-25	0.7308	0.1326	0.8634
2023-24	0.7331	0.0916	0.8247
2022-23	0.9185	0.0698	0.9883
2021-22	1.0092	0.0835	1.0927
2020-21**	1.0092	0.0899	1.0991
2019-20**	1.0440	0.0964	1.1404
2018-19*	1.1324	0.0476	1.1800
2017-18	1.0400	0.1200	1.1600
2016-17	1.0400	0.1400	1.1800
2015-16	1.0400	0.1233	1.1633
2014-15	1.0400	0.0848	1.1248
2013-14	0.9357	0.0320	0.9677
2012-13	0.9357	0.0367	0.9724

*\*Tax Ratification Election held August 25, 2018.*

*\*\*HB 3 / SB 2 enacted by the legislature mandating tax rate compression*

**Historical Total Tax Rates**



This chart shows the I&S tax rate broken down by debt issue.

