



**Arlington**  
INDEPENDENT SCHOOL DISTRICT  
*More Than a Remarkable Education*

**Financial Futures Committee  
January 11, 2018  
6:00 pm, Mac Bernd Professional Development Center**

WELCOME .....David Wilbanks  
FFC Chairperson

DEVELOP FFC REPORT TO BOARD.....David Wilbanks



## **Topic 1: General Fund Budget**

### **Key Points:**

- M&O Tax Rate is set at \$1.04
- Can only go higher with a TRE
- State Aid Revenue declining due to declining enrollment & increasing property values
- Payroll represents 86% of budget
- 2017-18 Budget has operating deficit of \$18.7 M
- Budget deficits projected next 5 years.

### **Challenge:**

Declining revenue and projected deficits for the foreseeable future are unsustainable.

### **Potential Solution(s):**



## **Topic 2: Texas School Finance System & Legislative Environment**

### ***Key Points:***

- Vouchers, Property Tax Reform, School Finance Reform—question marks going forward
- As property values go up, state aid decreases
- No new funding appropriated by 85<sup>th</sup> Legislature
- Little confidence in the new School Finance Commission

### ***Challenge:***

### ***Potential Solution(s):***



### **Topic 3: Property Values/Property Tax Rates**

#### ***Key Points:***

- As property values increase, state aid decreases
- Modest growth in values is projected over next four years
- M&O tax rate is \$1.04 & can only be raised with voter approval thru a Tax Ratification Election (TRE)
- Absent additional funding from the state, districts will be forced at some point to make difficult budget choices
  - Raise the M&O tax rate thru a TRE
  - Spend fund balance
  - Make budget reductions, which may reduce opportunities for students

#### ***Challenge:***

#### ***Potential Solution(s):***



## **Topic 4: Strategic Plan**

### ***Key Points:***

- Strategic Plan is organized into four performance objective categories with strategies sequenced across five years
- Strategies include new instructional programming including a redesign of the elementary G/T program and expanded world language programs
- Strategies may impact budget

### ***Challenge:***

### ***Potential Solution(s):***



## **Topic 5: Comparison Data**

### ***Key Points:***

- AISD spends less per student than state average and its 12 comparison districts
- AISD concentrates more of its operating expenditures on instruction than 11 of its 12 comparison districts

### ***Challenge:***

### ***Potential Solution(s):***



## **Topic 6: Enrollment Trends**

### ***Key Points:***

- Changes in enrollment impact state aid & expenditures
- Enrollment has declined 4.3% since 12-13 and is forecast to continue declining
- Greatest decline has occurred at elementary level
- Competition from charters and neighboring ISDs
- AISD has open transfer policy & plans to eliminate all transfer fees
- Enrollment management strategies include staffing tightly to enrollment projections, program offerings, marketing, facilities
- Facilities must provide relevant learning spaces

### ***Challenge:***

### ***Potential Solution(s):***



## **Topic 7: Staffing & Compensation**

### ***Key Points:***

- Success depends on effective teaching and leadership
- Relevant, innovative and rigorous learning experiences
- Align resources, including staffing, to curriculum outcomes and instructional priorities
- Staff tightly to enrollment projections to manage budget
- Competitive, responsible compensation

### ***Challenge:***

### ***Potential Solution(s):***