

2015-2016 BUDGET

Keller Independent School District

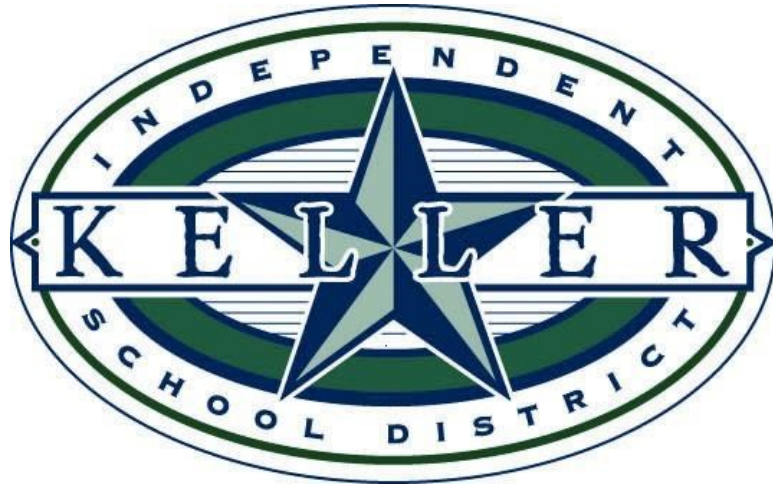
350 Keller Parkway

Keller, Tarrant County, Texas 76248

www.kellerisd.net

Adopted August 27, 2015





KELLER ISD
Intentionally  Exceptional

Keller Independent School District

The Education Center
350 Keller Parkway
Keller, Texas 76248
Tarrant County

2015-16 Adopted Budget

Adopted August 27, 2015

Dr. Randy Reid
Superintendent

R. Mark Youngs
Chief Financial Officer

Effective
September 1, 2015 – August 31, 2016

Issued by:

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www.kellerisd.net

Presented to:

Board of Trustees

*Craig Allen
President*

*Cindy Lotton
Vice President*

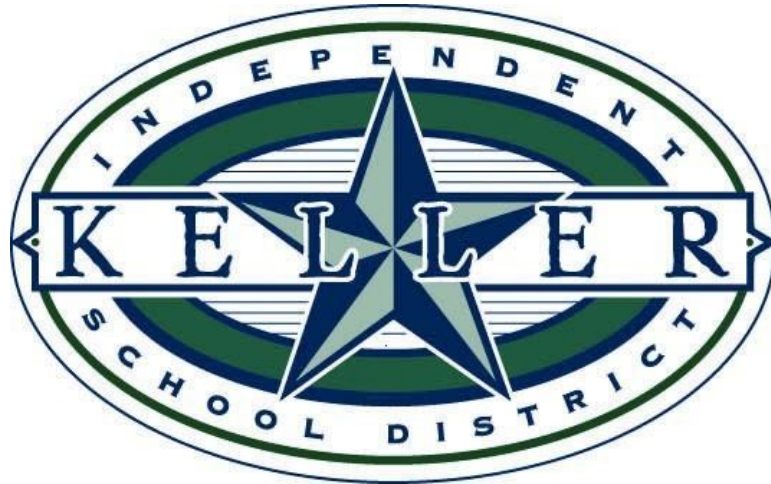
*Ruthie Keyes
Secretary*

Jim Stitt

Brad Schofield

Karina Davis

Jo Lynn Haussmann



KELLER ISD
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TABLE OF CONTENTS
2015-2016 BUDGET

Introductory Section	1
Principal Officials/Administrative Officials.....	2
Mission Statement and District Strategic Priorities and Goals.....	3
 <i>Executive Summary</i>	 5
Budget Message.....	5
Budget Overview and Highlights	6
Major Initiatives and Accomplishments.....	8
General Fund	19
Debt Service Fund	25
Child Nutrition Fund.....	29
Tax Rate.....	30
Budget Process and Significant Changes	31
Key Factors and Summary.....	32
Keller ISD Enrollment (Graph)	32
The Results.....	33
Long Range Financial Forecast	35
 Organization Section	 37
Organization Chart.....	38
Financial Structure and Basis of Accounting	39
Federally Funded Grant Funds.....	42
Classification of Revenues and Expenditures.....	46
Significant Financial Policies and Procedures.....	47
General Fund Historical Revenue, Expenditure and Fund Balance Level Changes	50
Child Nutrition Fund Historical Revenue, Expenditure and Fund Balance Level Changes...	52
Debt Service Fund Historical Revenue, Expenditure and Fund Balance Level Changes.....	54
Budget Policies and Development Procedures	58
Budget Calendar	61
Budget Administration and Management Process.....	64
 Financial Plan	 67
Combined Budget Summary - Revenues.....	68
Combined Budget Summary - Expenditures	69
Combined Summary of Revenue and Expenditures – General Fund, Debt Service Fund & Child Nutrition Fund.....	70
Total Tax Ranking Comparable Districts, Regional and State.....	71
Comparison of Tax Rates - Last 25 Fiscal Years	72

General Fund	73
General Fund Overview.....	75
Projection Components.....	75
Enrollment.....	77
Expenditure Summary.....	78
Impact on Fund Balance	79
Summary by Major Object and Function	80
Expenditure Summary by Object	81
Expenditure Summary by Major Object.....	83
Expenditure Summary by Major Object within Function	84
Major Object Summary by Campus	87
Five Year Summary of Revenues and Expenditures.....	88
Keller ISD Organizations	91
Organizational Listing.....	93
General Fund Budget distribution by Organization.....	94
Debt Service Fund	97
Debt Service Fund Overview.....	99
Debt Service Expenditures	99
Debt Service Revenue Source (Graph).....	100
Debt Service Fund Balance (Graph).....	101
Five Year Summary of Revenues and Expenditures	103
Debt Service Fund Bond Schedule.....	104
Debt Service Payment To General Fund Expenditures (Graph).....	106
Child Nutrition Fund	107
Child Nutrition Special Revenue Fund Overview	109
Child Nutrition Five Year Summary of Revenue Sources and Expenditures	110
Child Nutrition Revenue and Expenditure Summary by Major Object	111
Labor Costs Comparisons.....	112
Meal Program Students by Campus.....	113

Informational Section	115
2013-14 Locator Map	116
Directory of Schools and Facilities.....	117
2013-14 Instructional Calendar.....	118
Dates at a Glance.....	119
Long Range Financial Forecasts	121
Revenue, Expenditure and Fund Balance Forecast - General and Debt Service Funds	122
General and Debt Service Fund Projected Revenues	123
Debt Service Fund Debt Retirement Schedule	124
Property Tax Information	125
Assessed and Estimated Value of Taxable Property.....	126
Comparison of Tax Rates.....	127
Property Tax on Average Residences.....	128
Top Ten Taxpayers.....	129
Personnel	131
Salary Increase.....	132
New Positions.....	132
Schedule of Payroll Expenditures by Object - General Fund	133
Schedule of General Fund Payroll Expenditures by Function - General Fund	134
Teacher Salary Schedule.....	135
Average Teacher Salary by Years of Experience.....	137
Economic/Demographic Conditions	139
Employment Status.....	140
Unemployment Rates.....	140
Principal Employers.....	140
Demographics.....	141

Other Information	143
Enrollment Projections and Average Daily Attendance (Graphs).....	144
General Fund Expenditures, Average Daily Attendance and Per pupil Costs.....	145
Weighted Average Daily Attendance.....	146
Student Population by Grade Level.....	147
Student Ethnic Distribution.....	147
Special Population by Category.....	148
Performance Indicators	149
Attendance Rates.....	150
Dropout Rates.....	151
SAT/ACT Results.....	151
Administrative Cost Ratio.....	152
Appendix	153
Classification of Revenues and Expenditures.....	154
Basic System Expenditure Code Composition.....	154
Function Titles.....	155
Glossary	159
Glossary	159

Introductory Section



Sarah Trinh

KELLER INDEPENDENT SCHOOL DISTRICT

Principal Officials

Board of Trustees	Position	Year Elected	Term Expires
Craig Allen	President	2008	2017
Cindy Lotton	Vice President	2004	2016
Ruthie Keyes	Secretary	2012	2018
Jim Stitt	Member	2010	2016
Brad Schofield	Member	2012	2018
Karina Davis	Member	2013	2016
Jo Lynn Haussmann	Member	2014	2017

Administrative Officials

Official	Position	Years of Service	
		KISD	Education
Dr. Randy Reid	Superintendent	3	36
Amanda Bigbee	General Counsel	7	7
R. Mark Youngs	Chief Financial Officer	8	14
Cecil McDaniel	Chief Administrative Officer	2	18
Charles Carroll	Chief Academic Officer	7	24
Penny Benz	Assistant Superintendent, Human Resources	10	17
Joe Griffin	Chief Technology Officer	18	30
Amanda Barrios-Harris	Director, Assessment and Accountability	15	28
Bob DeJonge	Director, Athletics	24	35
Shellie Johnson	Executive Director, Communications	8	8
Lindsay Anderson	Executive Director, Curriculum	12	17
Karin Mehlenkamp	Director, Early Childhood Program	17	17
Kristin Williams, C.P.A.	Director, Finance	13	13
Kimberly Blann	Director, Fine Arts	8	8
Cindy Parsons	Director, Health Services	23	26
Sheri Rich	Director, HR Benefits	10	26
Greg Gaston	Director, Human Resources	0	20
Johjania Najera	Executive Director, Human Resources	6	22
Dr. Victoria Miles	Director, General Education Support	7	32
Mary Martin	Director, Language Acquisition	9	20
Hudson Huff	Executive Director, Facility Services	13	18
Dustin Blank	Executive Director, Leadership	10	18
Dr. Kevin Hood	Executive Director, Leadership	9	19
Cory Wilson	Executive Director, Leadership	13	17
Frank DiNella	Director, Facility Systems and Services	10	10
Sara Kaprowski	Director, Student Interventions-MTSS	2	7
Lori Tudor	Director, Purchasing	9	9
Kevin Kinley	Director, Safety and Security	4	4
Dr. Janette Hahn	Director, Special Education	3	29
Casey Stone	Director, Career and Technology	2	15
David Smith	General Manager, Child Nutrition (Sodexo)	0	13
Jason Lowery	General Manager, Transportation (Durham)	0	9

OUR VISION

KISD—an exceptional district in which to learn, work and live.

MISSION STATEMENT

The community of Keller ISD will educate our students to achieve their highest standards of performance by engaging them in exceptional opportunities.

VALUES

We hold ourselves accountable for providing exceptional educational opportunities.

We inspire educational excellence through collaborative relationships.

We cultivate life-long learning for all.

We provide approachable, responsive customer service.

We embrace diversity.

We embrace change and innovation.

We make data-driven decisions.

We have a positive attitude toward the future.

District Strategic Priorities/Goals

GOAL 1: INCREASE STUDENT ACHIEVEMENT

Goal 1.1:

Prepare students to pursue their choices in post-graduation opportunities.

Goal 1.2:

Enable students to develop skills to collaborate, think critically and creatively, and effectively communicate thoughts and ideas.

GOAL 2: EXCELLENCE IN STUDENT, PARENT AND COMMUNITY RELATIONS

Goal 2.1:

Assure timely, effective, and consistent two-way communication.

Goal 2.2:

Establish and nurture collaborative partnerships with students, families, and community members that unify our learning community.

GOAL 3: EXCELLENCE IN PROCESSES AND SYSTEMS

Goal 3.1:

Ensure organizational efficiency and alignment.

Goal 3.2:

Use continuous improvement framework to drive sustained organizational success.

GOAL 4: EMPLOYEE EXCELLENCE AND ORGANIZATIONAL IMPROVEMENT

Goal 4.1:

Employ, train and retain a diverse, well-qualified, innovative staff.

Goal 4.2:

Foster a positive, engaging work environment that supports collaboration, community and personal wellness.

GOAL 5: EXCELLENCE IN FINANCIAL STEWARDSHIP

Goal 5.1:

Provide equitable distribution of financial resources throughout the district.

Goal 5.2:

Ensure sound fiscal practice and financial transparency.

**EXECUTIVE SUMMARY
KELLER INDEPENDENT SCHOOL DISTRICT
FISCAL YEAR 2015-2016**

BUDGET MESSAGE

The following document represents the financial plan for the Keller Independent School District for the 2015-16 fiscal year. The development and review of the 2015-16 budget included intensive consideration of each program, revenue source, and expenditure. The Board of Trustees, Superintendent, Finance department staff and campus and administrative staff all contributed to the development of this budget.

The KISD 2011-12 budget included major budget cuts due to reduction of funding by the State of Texas. The 2012-13 and 2013-14 budgets were dedicated to the prudent re-instatement of programs previously cut, if the program was still considered relevant, worthwhile to the district's instructional goals and in line with the district's educational vision.

The budget development process for 2014-15 focused on providing the resources to comply with House Bill 5, which includes changes to the Texas Education Code in a number of areas such as curriculum, accountability, assessment and accreditation. A significant number of additional staff was added to address these requirements. Other major areas addressed in the 2014-15 budget was the high school schedule change to an eight period day, pay increases for staff, and health insurance costs.

For several years, the district's general fund balance has exceeded the amount recommended in the KISD Board Policy. Since 2013-14, the district has intentionally budgeted at a deficit to provide for new initiatives and state mandates, as well as to reduce fund balance to the recommended level in a measured and deliberate manner.

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 purpose of the budget document is to provide timely 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. However, the District's main concern in the presentation of the budget document is to improve transparency regarding KISD's financial plan for educational programs and services for the 2015-16 year.

BUDGET OVERVIEW AND HIGHLIGHTS

Federal, state, and local guidelines drive the budget development process. The annually adopted budget includes the General, Debt Service, and Child Nutrition funds. Total 2015-16 budgeted revenues are \$328,254,337 and total 2015-16 budgeted expenditures for these funds are \$334,258,543.

TOTAL REVENUES BY FUND COMPARISON

	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Amount Increase (Decrease)	Percent Increase (Decrease)
199 GENERAL OPERATING	\$ 233,840,246	\$ 246,004,005	\$ 246,722,425	\$ 718,420	0.29%
240 FOOD SERVICE	12,650,192	12,812,250	13,034,107	221,857	1.73%
511 DEBT SERVICE	59,732,877	64,201,490	68,497,805	4,296,315	6.69%
TOTAL	\$ 306,223,315	\$ 323,017,745	\$ 328,254,337	\$ 5,236,592	1.62%

TOTAL EXPENDITURES BY FUND COMPARISON

	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Amount Increase (Decrease)	Percent Increase (Decrease)
199 GENERAL OPERATING	\$ 235,740,595	\$ 255,807,838	\$ 257,770,011	\$ 1,962,173	0.77%
240 CHILD NUTRITION	13,797,072	13,746,203	12,184,107	(1,562,096)	-11.36%
511 DEBT SERVICE	59,297,515	69,833,347	64,304,425	(5,528,922)	-7.92%
TOTAL	\$ 308,835,182	\$ 339,387,388	\$ 334,258,543	\$ (5,128,845)	-1.51%

Budget information related to Special Revenue Funds (except the Child Nutrition Fund) are presented in summary form in this document. These are budgeted funds that are not required to be approved by the Board of Trustees. Financial information on these funds are more fully presented in the Comprehensive Annual Financial Report (CAFR).

The following priorities guided the budget development process.

- Provide the resources necessary to accomplish the District’s objectives within the limitations of the state’s funding formula. (District Goals 5.1 and 5.2)
- Provide the resources to fund the District’s quest for continuous improvement in both instructional and administrative areas. (District Goals - All)
- Maintain adequate and appropriate fund balance levels in all budgeted funds. (District Goal 5.2)
- Fund a compensation package that will help attract and retain qualified personnel. (District Goal 4.1)
- Provide the resources to ensure student success in meeting the ever-changing standards of the state’s accountability system, most recently those of House Bill 5. (District Goals 5.1)
- Provide resources to address the differing goals and needs of all students. (District Goal 5.1)

Keller ISD faced significant challenges in preparing a budget that would provide for these priorities. Foremost among these challenges was the state funding formula. Changes made to the funding formula in 2006-07 have virtually eliminated any increase in school funding for Texas school districts since 2005-06. The 84th Legislature provided a modest increase in the basic allotment to all Texas school districts and partially reduced the “fractionally funded” penalty by modifying the funding formula.

The basic allotment is the basis of funding for most of the allotments making up the district’s Tier 1 state funding entitlement. The amount of the basic allotment varies depending on the district’s compressed tax rate and is based on the Maintenance and Operation tax rate that was in effect in 2005-06. The 84th legislature increased the basic allotment from \$5,040 in 2014-15 to \$5,140 for 2015-16.

In 2005-06, the Keller ISD tax rate was 1.4336. This tax rate multiplied by the state’s compression percentage of 66.67% required by the 79th Legislature Third Called Special session, equated to a compressed tax rate of 95.57% for Keller ISD. This compression rate, if less than 1.00, reduces the basic allotment the district receives in state funding. The 84th legislature passed legislation that increases the compression rate for districts who had a compressed tax rate of less than 1.00. This legislation was an effort to reduce the “fractionally funded” penalty to districts. Since Keller ISD has a compressed tax rate of less than 1.00, this legislation increased the rate for Keller ISD from 95.57% to 98%.

For 2014-15, the state allowed a basic allotment amount of \$5,040 times the district’s compressed tax rate. For Keller, 95.57% of \$5,040 equaled a basic allotment amount of \$4,816. For 2015-16, the state increased the basic allotment amount to \$5,140. This allocation multiplied by the adjusted compressed tax rate of 98% provides a basic allotment of \$5,037.

In the funding formula, a district’s basic allotment is then adjusted by the state assigned Cost of Education Index. The cost of education Index (CEI) was determined and assigned to each school district in 1991. The CEI was based mainly on the size of the district, the teacher salaries of neighboring districts, and the percentage of low income students in the district in 1989-90. Although the demographics of Keller ISD has changed dramatically since the 1989-90 school year, this index has not been updated since that time. The CEI assigned to the Keller ISD is 1.13 and is applied to 71% of the district’s basic allotment.

When the CEI is applied to the 71% of Keller ISD’s 2015-16 basic allotment of \$5,037, the district realizes an adjusted basic allotment of \$5,502. The actual formula for this calculation is $[(1.13-1).71] + 1 = 1.0923$. The basic allotment amount of \$5,037 multiplied by 1.0923 equals an adjusted basic allotment of \$5,502 for Keller ISD for the 2015-16 budget year.

This adjusted basic allotment is multiplied by the number of students in average daily attendance who are not receiving special education services and are not participating in career and technical education, (29,464 students for 2015-16) to calculate the district’s regular program allotment of \$162,110,103. This amount combined with \$47,251,827 allocated for students participating in special programs make up the Total Cost of Tier I funding, which for 2015-16 is \$209,361,930. Subtracted from this total cost of Tier I is the state certified property value from the previous year compressed by 98%, leaving \$84,937,673 as the State Share of Tier I.

Despite financial challenges, KISD students and staff continue to achieve great things.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Paul & Kate Farmer English Journal Writing Award Recognition

Fossil Ridge High School Teachers Jennifer Isgitt and Quentin Donnellan co-authored an article for English Journal, the national peer-reviewed journal for National Council of Teachers of English and were selected as an Honorable Mention in the 2014 Paul and Kate Farmer English Journal Writing Awards Competition.

"Discussion-Based Problem Solving: An English-Calculus Collaboration Emphasizes Cross-Curricular Thinking Skills" was judged by the Farmer Awards Committee to be one of the most outstanding articles written by a secondary school teacher and published in Volume 103 of English Journal.

They were scheduled to be honored at this year's NCTE Convention in Washington, DC, on November 22, 2014.

GFOA / ASBO Finance Awards

The Government Finance Officers Association of the United States and Canada (GFOA) recently awarded Keller ISD with The Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for fiscal year ending August 2014. This award is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment – one in which Keller ISD has received for the past eight years.

The purpose of the GFOA is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices that illustrate the spirit of transparency and full disclosure.

In addition, Keller ISD also received the Certificate of Excellence in Financial Reporting Award from the Association of School Business Officials (ASBO) for its Comprehensive Annual Financial Report (CAFR) for fiscal year ending August 2014. This prestigious award, which KISD has also received for eight consecutive years, represents a noteworthy achievement and reflects KISD's commitment to the highest standards of school system financial reporting.

ASBO is a professional association that provides programs and services to promote the highest standards of school business management practices, professional growth, and the effective use of educational resources.

Congratulations to the Keller ISD Finance Department.

Cross Country State Achievement

Cross country runners from Timber Creek High and Keller High competed in the Conference 6A State Meet in Round Rock, Texas on November 8.

Advancing team members from Timber Creek High School included: James Arnold, Carson Burnside, Hassan Jordan, Mauricio Padilla, Kristian Ramirez, Devante Williams and Erik Wingfield. In addition, Keller High School had two runners individually qualify for state: Carter Persyn and Meghan Lloyd.

These outstanding Cross Country athletes are coached by Dan Strong for Timber Creek, and Brian Zaring for Keller High.

Annual Holiday Card Contest Winners

Congratulations to Audrey Tran, a 3rd grade student at Eagle Ridge Elementary School, who was chosen as the 2014 Holiday Card Contest Winner. Her design was selected from artwork submitted by campus winners from each of KISD's 22 elementary schools and is featured on the cover of this year's district holiday card, which was sent to local dignitaries, KISD administrators, community partners, and long-time friends of the district.

Adiah Stemmerich - a 2nd grade student at Basswood Elementary, along with Ali Cavey, a 4th grade student at Bluebonnet Elementary, were selected as this year's talented Finalists. Their artwork will also be included in the district's holiday card.

These students are supported by their art teachers: LeeAnn Zbichorski, Eagle Ridge Elementary School, Michelle Fuller, Basswood Elementary School, and Delisa Sims, Bluebonnet Elementary School.

2015 Board of Trustees Appreciation Celebration

January 2015 is School Board Recognition Month. This year's theme is: *A Work of Heart*. It is a special time to help build awareness of the crucial role the KISD Board of Trustees play in our communities and schools. The Keller Independent School District truly appreciates the hard work and dedication of each of its seven Board Members, who voluntarily tackle the enormous job of governing this school district, and whose actions and decisions affect the present and future lives of our children.

Jim Stitt, *President*

Craig Allen, *Vice President*

Ruthie Keyes, *Secretary*

Karina Davis, *Trustee*

Cindy Lotton, *Trustee*

Jo Lynn Haussmann, *Trustee*

Brad Schofield, *Trustee*

Platinum Leadership Circle Award

Keller ISD was recently awarded the 2014 Platinum Leadership Circle Award, for its continued progress toward achieving financial transparency. The Texas Comptroller's Leadership Circle program recognizes local governments across Texas that are striving to meet a high standard for financial transparency online. The district's efforts to provide citizens with clear, consistent pictures of spending and share information in a user friendly format have paved the way for achieving greater financial transparency. This is the first year the Platinum-level has been offered, it is now the highest award given to public entities for financial transparency.

Prior to this year, Keller ISD earned the Gold Leadership Circle award for three consecutive years.

Keller Shake Finalists Recognition

The Keller Shake was created as part of the elementary theater program to give students the opportunity to cultivate necessary social and conversational skills that will help build confidence and lead to future success. Students worked on developing voice, diction, poise, conversational skills, as well as a firm hand shake. A select group of students went on to compete in three different levels of competition where they were asked to demonstrate the skills they learned. The first round was held on their respective campuses in early fall with students testing their abilities on teachers, counselors, and assistant principals. The top six from each school advanced to the second round, which took place in December at the KISD Education Center, where the students went up against several of KISD's toughest administrators. The final round of competition was held earlier today with 10 outstanding finalists facing district administrators and partners, including KISD Superintendent Dr. Randy Reid and M.K. Larson of the Hudson Foundation.

Knovation Digital Learning Award

Keller ISD has earned a *Knovation* Digital Learning Award, ranking 6th in the Top 100 in the large-size district division, for its use of pioneering digital resources to promote engaging and personalized classrooms. *Knovation* designs and implements advanced personalized learning solutions that reduce barriers to learning and allow districts to realize meaningful outcomes from their technology investment. The Digital Learning Awards recognize the top 100 school districts implementing digital resources based on their usage of *netTrekker*, which delivers learning ready content to teachers and students. Congratulations to KISD Executive Director of Curriculum, Instruction and Professional Development Lindsay Anderson, along with KISD Innovation Architect Vaughan Hamblen, for their work towards this outstanding accomplishment.

VEX Robotics Competition Achievements

In January, students from Central High School and Keller High School competed in the VEX Robotics Competition at Southlake High School. Teams of students were tasked with designing and building robots to play against other teams from around the world in a game-based engineering challenge. Classroom STEM concepts were put to the test on the playing field as students learned lifelong skills in teamwork, leadership, and communication. The competition was stiff with five of our competitors being ranked in the top 200 in the world out of 12,000 teams. Keller ISD's teams placed 8th, 10th, and 12th out of 30 teams, with Keller High School receiving the "Create" Award for their robot design.

Keller High School

Tyler Burke	Reese Clawson	Derrick Walker
Vincent Demma	Kailey Falls	Aleksander Earnest
Caitlyn Scott	Parker Niemeyer	Sam Kuehnhold
Parker Stutsman	Sean Basely	Will Sharbine
Central High School	Wyatt Hicks	Carson Smith
James Obermiller	Trenton Magryta	Alexei Gonzalez
Josh Hutchins	Addison Savage	Nicholas Sargent
Justin Barren	Brayden Smith	
Easton Carson	Pranav Vachaspat	

Hillwood Middle School's team participated in the Rockwall Heath Middle School VEX Robotics tournament. Not only were they on the winning alliance (composed of 3 teams) out of 30 total teams, but they took home the Judges Award based on their interview session as well. In addition, the HMS team qualified for the North Texas Regional tournament as a result of their accomplishments.

These students are coached by Hillwood CTE teacher Philip Youngblood.

Hillwood Middle School

Spencer Kraemer	Tinny le
Patricia Mendez	Greg Stancil
Grant Richards	

KHS State Marching Band Achievement

The Keller High School marching band competed in the Marching Band State Championships in San Antonio on November 4 and advanced to the finals. They were the 15th band to perform in the Alamodome. The top 10 finalists were announced and performed later that evening. Keller High placed 10th overall, and were the first Keller ISO band to perform in the state finals in 15 years.

Congratulations to Keller High School Drum Majors: Molly Olmos, Cameron Dawson, and Lucas Silva. The KHS Marching Band is under the direction of Head Director Mark McGahey, and Assistant Directors Frank Chapple, Ryan Heath, and Daniel Bloss.

TASBO Purchasing Award of Merit with Recognized Status

Keller ISO's Purchasing Department has earned the Award of Merit with Recognized Status from the Texas Association of School Business Officials (TASBO) for the sixth consecutive year.

TASBO's Purchasing Award of Merit is presented to school districts that are committed to professional standards in the acquisition of goods and services. Independent reviews at TASBO considered various procedures and practices including organization, policies and procedures, contract operations, staff training and certifications, warehousing, use of technology, communication, and management of co-operative programs. The Purchasing Department was recognized at TASBO's 69th Annual Conference in Houston.

Technology TCEA Award Finalist and Gold Certification Recognitions

TCEA AWARD FINALIST - Keller ISO Senior Learning Systems Analyst Aaron Rister was recently named a finalist for the Technical Support Person of the Year by the Texas Computer Education Association (TCEA). Each year, TCEA recognizes some of the most tech-savvy educators in the country with awards and scholarships. Nominated by their peers, educators who compete for these awards are actively making a difference in their district.

GOLD CERTIFICATION - Keller ISO Workflow Solutions Specialist Clint Mehta has earned the distinction of Laserfiche Gold Certified Professional by DocuNav Solutions/Laserfiche after successfully completing the seven specific Laserfiche certification courses. Keller ISO is DocuNav's first customer to have an employee complete the entire certification program, which was done "in record-breaking time." Currently, only a very small percentage of individuals working with Laserfiche are Gold Certified.

KISD Wrestling and Swimming/Diving State Achievements

WRESTLING - Keller ISD sent several wrestlers to the **UIL** Class 6A State Wrestling Championships in February. Timber Creek High School wrestler Rachel Bridges won the championship in the girls 215-pound division. On the boys side, Fossil Ridge's Keith McGee finished 2nd in the 220-pound division.

FRHS State Wrestling Qualifiers

Keith *McGee*
Jerrod McKinstry

CHS State Wrestling Qualifiers

Jake Hart
Blake Martinez
DeMone McClinton

TCHS State Wrestling Qualifiers

Rachel Bridges
Jamie Paterson
Jael Miller
Austin Fox

KHS State Wrestling Qualifiers

Matthew Kearney
Travis McDonald
Bobby Reynolds
Brittany Olivera

Head Coaches/Assistant Coaches

FRHS: Tony Lopez/Marcus Richard and Brendan Lowe;

KHS: Jim Scheel/Tim Cook;

CHS: Bill Wilson/Rita Moriel and Aaron Schutz;

TCHS: Brent Wasche/Greg Gopffarth and Ian Henley

Swimming and Diving

SWIMMING & DIVING - Keller ISO sent several individual swimmers/divers and relay teams to the **UIL** Class 6A State Swimming and Diving Championships in February. Sophomore Lauren Pitzer won a pair of state championships for Fossil Ridge High School, while Keller High's Luke Mankus added a state title of his own. Pitzer came away champion in both the Girls 200-yard and 100-yard Freestyle events. Mankus, swimming in his final state championships for Keller High, collected a win in the 50 free sprint, touching the wall just eight hundredths of a second ahead of his opponent. Other Keller ISO highlights from the meet included a 3rd place finish in 1-meter Diving by KHS sophomore Taylor Ohlhauser, and a 2nd place finish by KHS's 400 Free Relay team of Audrey McMurry, Megan Hanson, Ashley Ward, and Abby Andrusin.

FRHS State Swimming/Diving Qualifiers

Lauren Pitzer

CHS State Swimming/Diving Qualifiers

Jason Head
Carly Straight

KHS State Swimming/Diving Qualifiers

Ashley Ward	Taylor Ohlhauser	Morgan Bull	Josh Hein
Kendall Hazleton	Abby Andrusin	Michael Mabry	Jason Teng
Audrey McMurry	Sophie Frohberg	Adrian Maher	Colin Duggan
Megan Hanson	Ellen Frohberg	Luke Mankus	

Head Coaches/Assistant Coaches

KHS/FRHS: Linda Shults/Robert Gopffarth and Ryan Maeker (Diving); **CHS:** Christine Porter/Betsy Murphy

TASC State Conference Host Recognition - Keller High School Student Council Officers

The Keller High School Student Council, under the direction of Katie Keyes, had the honor of being selected as hosts of the 79th Annual Texas Association of Student Councils (TASC) High School State Conference, held at the Arlington Convention Center, April 10-12. As host district, Katie and her students worked countless hours to provide over 5,000 high school student council leaders and advisors from around the state with a full range of events, activities, presentations, sessions, and performances. This year's conference theme was *"Come one, Come All."* The event was designed to celebrate accomplishments, elect officers, as well as motivate, educate, and attend sessions on leadership and student council issues.

Tarrant County Young Marine of the Year Recognition

Trinity Springs Middle School student Kayla Colacion was named 'Young Marine of the Year' by the Tarrant County Unit of Young Marines. Young Marines is a youth education and service program for boys and girls, ages 8 through completion of high school that focuses on character building, leadership, and promoting a healthy, drug-free lifestyle. There are over 70 students in Kayla's unit and while it is typically common for a high school student to win this award, Kayla was thrilled to be recognized for her commitment and leadership at such a young age. In addition to being a part of Dr. Reid's February Podcast, Kayla also had the opportunity to be recognized in front of her teachers and classmates during the Trinity Springs Veterans Day Assembly in November where Representative Matt Krause presented her with the award.

TMEA State Achievements

Keller ISD is proud to announce that 26 students were selected as 2014 Texas All-State Musicians by the Texas Music Educators Association (TMEA). High school students selected to perform in the All-State concerts competed through several levels of auditions beginning in the fall of 2014 to arrive at the state level. All-State is the highest honor a Texas music student can receive. Over 1,500 students are selected through a process that began with over 60,000 students from around the state vying for the honor to perform in one of 14 ensembles (bands, orchestras, and choirs). All-State performances were held in February as part of the annual TMEA Convention, where over 25,000 people from Texas and beyond attended over 300 workshops, 60 concerts and visited over 1,000 exhibit booths.

KISD All-State Choir Members

Central High School	Keller High School	Timber Creek High School	
Clare Nelson	Lorna Windsor		Cami Ellsworth
Allyson Smith		Morgan Cure	Nam Nguyen
		Hannah Davis	Savannah Porter
		Amber Davis	Adam Thomas
		Faith Dennis	Andrew Richmond

Central HS Choir, under the direction of Leigh Ann McClure, Jen Randall and Clint Hardy
Keller HS Choir, under the direction of Chi Chi King and Alex Carr
Timber Creek HS Choir, under the direction of Amy Fambrough and Tanner Wilemon

KISD All-State Band Members

Fossil Ridge High School	Central High School	Keller High School
Nick DeWalt	Patrick Anderson	Adrien Al Kazzaz
Daniel Montalvo	Ivan Hurtado	Kerry Foster
Jeremy Rosario	Colin Nyhus	Natalie Miller
Brian Vu	Elisa Rodriguez	
Dylan Moore	Ben Sivoravong	
Andrew Poe		

TMSCA State Achievement - Keller MS

Two students from Keller Middle School earned a place at the Texas Math and Science Coaches Association (TMSCA) State Competition last month. TMSCA is an organization formed by teachers to promote excellence in math and science through individual and team competition. Rashel Bullon and Samika Kulkarni qualified and competed in the Science challenges, placing 8th and 11th, respectively. They were the only two students from Keller ISD to qualify for the state competition. The Keller Middle School TMSCA team is coached by KMS parent Bipin Kulkarni.

Type 2 Diabetes Video Student Recognition - Trinity Spring MS

Jackson Fowler, an 8th grader at Trinity Springs Middle School, is being recognized for his work on the district's Type 2 Diabetes video. Jackson was recommended to create the video by TSMS Nurse Brenda Selzer after she saw his work on a water video he produced for the campus earlier this year. After being presented with the idea, in true Jackson fashion, he ran with it and came up with a great way to show kids what they can do to help reduce the risk of getting Type 2 Diabetes. The video was shown on all campuses grades 3-12, and to top it off, it was the winner at this year's Film Festival Awards for the Grades 5-8 PSA Plus Category.

Duke TIP State Recognitions

The Advanced Academics Department is happy to recognize some exceptional KISD students who have received "State Recognition" from Duke University's Talent Identification Program. The following students demonstrated "exceptional academic ability" in the most recent administration of the SAT and ACT, and will be recognized at a Duke TIP ceremony on May 24 at Texas Christian University.

Timberview Middle School

Brooke Boyer	Kathryn Reid	Hannah Smith
Serena Shabout	Anna Reid	Priya Upadhyaya
Jamison Woodson	Aleah Salazar	Alex Upton
Kristina Hoffman	Selena Sheth	Anna Vermillion
Amanda Itzkowitz	Sonia Singh	Angela Wang

Trinity Springs Middle School

Emelia Ambrose	Chad Ramsey Jr.	Miriam Wamsley
Josephine Mitchell	Annika Samuel	John Westbrook
	Justin Tran	

Hillwood Middle School

Hannah Chock	Tiffany Kreyer	Ethan Hacker
Nicole Chung	Bishop Munoz	Nicholas Richards
Emory Cook	Joshua Crowe	Avi Khurana
	Justin Doan	Daniel Mhrous

Indian Springs Middle School

Shishira Bhavimane	Ashlyn Dodson Parker Minke	Allie Smith
Abby McCormick	Elise Ezernack Parker Morgan	Katelyn Spangler
	Robert Normand	Madilynn Stelzer

Keller Middle School

William Baltazar, Jr.	Robert Buzbee	Mason Hodge
	Preston Decker	

Fossil Hill Middle School

Rishita Arora	Lily Belknap	
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VASE State Achievements

Keller ISD was very proud to have 51 pieces of student artwork qualify for the State VASE contest during the Regional round hosted at Timber Creek High School. State qualifiers were selected from more than 1,800 entries. These students, as well as students from the twenty regions throughout the state, presented their artwork at the State VASE Contest in April in Dallas. At the event, students participated in professional workshops, lectures, slide presentations, demonstrations, and outdoor sketching opportunities, while their artwork was judged. In addition, six Keller ISD students received a Gold Seal Recognition, an honor that is equivalent to a State Champion.

Central High School

Megan Bosley	Shay Martinez	Jamie Phanekham
Leah Kappayil	Aysia Muzquiz	Liz Plata
	Jeonghyeon Park	Isabel Walker

Timber Creek High School

Hannah Boggs (Gold Seal)	Jessica Han	Madi Parks
Dianna Laurent (Gold Seal)	Hannah Haskin	Shreena Patel
Isabela Lopez (Gold Seal)	Mackenzie Haughton	Audrie Potter
Sloane Miller (Gold Seal)	Jake Howard	Kailyn Rhee
Hannah Atkinson	Rachel Jans	Sabrina Shrum
Lauren Bonham	Makyla Leclair	Sarah Trinh
April Britton	Brittany Lukawski	Victoria Xu
Janae Fernandez	Mariangelis Marcano	
Josh Foster	Antonio Mendez	
Kamron Gopffarth	Sandra Meridew	
	Elaine Nguyen	

Keller High School
Jose Sauto (Gold Seal)
Katherine Cheney

Kendall Jeffreys
Miriam Arzoumanian
Brianna Gilchrist

Brent Piehler

Fossil Ridge High School
Shenna Padayao (Gold Seal)

CHS art teachers - Jay Asp, Denise Massie, Clint Riddle, Josh Boehner, and Jennifer McCoy.
FRHS art teachers - Chris Brown, Isabel Link, and Paula Antonevich.
KHS art teachers - Kerri Carter, Craig Gould, Chris Stickel, and Kristy Laurent.
TCHS art teachers - Chrissy Fitch, B Nowell, Abiodun Ijiyera, and Karen Jacobi.

Special Olympics State Achievements

Keller ISO has been a proud participant in Special Olympics Texas since 1991. The Special Olympics program allows student-athletes to participate in sports during the fall, winter and spring seasons, as well as the opportunity to learn the concept of true teamwork. This year, KISO added Flag Football with 18 middle school and high school athletes learning how to pass, hike, catch, pull flags, run plays and so much more. The inaugural season was a huge success. In other sports, 44 athletes competed in Bowling, 92 in Track and Field, and 61 in Basketball. We are proud to announce KISO had 50 outstanding athletes -14 in Basketball and 36 in Track and Field - advance to the State Special Olympics Track Meet and Basketball Tournament hosted by the University of Texas at Arlington May 21-23. Congratulations to our athletes:

Award Breakdown

1st place - Gold Medals =35
2nd place - Silver Medals =23
3rd place - Bronze Medals = 15
4th place ribbons =5
5th place ribbons =11
6th place ribbons =5
Participant ribbons =4
Total =99 awards

John A. Baker Memorial Award for Excellence - TMIS Teacher Recognition

Anna Tyson, a 5th grade teacher from Trinity Meadows Intermediate School, earned the John A. Baker Memorial Award for Excellence in K-12 Distance Learning from the Texas Distance Learning Association. The Baker Award recognizes K-12 teachers for their work in the distance learning arena and helps provide more opportunities to reach students through the use of educational telecommunications and distance learning technologies. It is open to any K-12 teacher working public, private, or charter school settings in Texas. As part of the award, Tyson received \$500 cash, complimentary registration to the Annual TxDLA Meeting/Conference, and complimentary TxDLA membership for the year. She is the first recipient from Keller ISO.

KISD Elementary Chess Tournament Champions

Third grade students from eight different Keller ISO elementary schools competed in the 2nd Annual Keller ISO First Move Chess Tournament on May 11 at the KISD Education Center.

Second and third grade students at 11 Keller ISO campuses learned about chess throughout the year as part of the First Move Chess Program, now in its second year in the District. Plans are in place to offer the program at additional campuses for the 2015-16 school year. Strategies and skills learned through the program help improve critical thinking skills, and teach patience and thinking ahead. Keller ISO's First Move Chess Tournament brought the top 20 third-grade chess players from each of the participating campuses to compete for the title of KISD Chess Champion. The tournament grew from three campuses to eight in just one year and will continue to grow as the program expands. Campuses choosing to participate in this year's tournament included Caprock, Eagle Ridge, Friendship, Independence, Lone Star, Park Glen, Ridgeview, and Willis Lane Elementary Schools. Congratulations to the 2015 finalists:

Eagle Ridge Elementary	Lone Star Elementary
Matthew Sanchez, <i>Champion</i>	David Jennings
Dalton Reddin	Willis Lane Elementary
Jensen Simmons	Sydney Jackson, <i>Runner-Up</i>
Friendship Elementary	Garrett Hofer
Brayden Hawkins	Alex Peterson

KISD Wellness Coordinator Certification Recognition

KISD Wellness Coordinator Will Haddad has successfully completed the requirements to earn the Fitness Nutrition Specialist Certification by the National Academy of Sports Medicine. The National Academy of Sports Medicine (NASM) has been a global leader in providing evidence-based certifications and advanced credentials to health and fitness professionals. The Fitness Nutrition Specialist Certification is earned through a combination of specified coursework, and tests in this area of specialization. Mr. Haddad will continue to affect real change, helping KISD's employees eat right and develop good nutrition habits which will pave the way for a lifelong journey of health.

Office of the Governor's *Yellow Rose of Texas Award* Recipient

KISD Director of Employee Benefits Sheri Rich was recently honored as a Yellow Rose of Texas Recipient, an award that is granted only through the Office of the Governor. It recognizes outstanding Texas women for their significant contributions to their communities in the preservation of history, the accomplishments of the present, and the building of the future. The award is named in honor of Emily D. West (also known as Emily Morgan), a folk hero of the 19th century who is believed to have had a hand in the Texans' victory over the Mexican army at the battle of San Jacinto during the Texas Revolution. Her acts during the revolution have led to her association with the song "The Yellow Rose of Texas."

Leadership Development Academy II & Assistant Principal Cohort Recognition

The Keller ISD Leadership Development Academy II is a selected group of campus employees aspiring to become educational leaders. This amazing group of educators engaged in a year-long professional development opportunity facilitated by the Leadership Function with cooperation from other district functions and campus principals. The LDA II participants engaged in project based professional development tasks throughout the 2014-2015 school year and aided the district in the creation of a profile of an assistant principal, LDA I marketing materials, and administrative regulation development.

2014-15 Leadership Development Academy II	Joel Thompson Molly Pograd-Brown	Jennifer Bailey Diane Podlewski	Susan Cosby Jenny Simmons Rebecca Rose
Jennifer Morgan	Charles Erwin	Shanel Jones	Robin Sanchez
Erica Wood	Mallory Slawinski	Stephanie Speaks	Elizabeth Venegas

The Keller ISD Assistant Principal Cohort is a selected group of assistant principals aspiring to become campus leaders. This remarkable group of employees engaged in year-long professional development based on the district core documents, the Fundamentals of Leadership, the Performance Expectations for Continuous Improvement, and the Texas State Administrator Standards. This group conducted multiple campus visits and worked on specific opportunities for improvement (OFIs) that they identified on their assigned campuses. OFIs included Positive Behavior Interventions and Supports, collaboration, culture and climate, school supplies, flex time, and lunch schedules.

The district is very proud of the progress the members of these two outstanding groups have made. Their dedication and commitment to leadership development has added great value to this district.

2014-15 Assistant Principal Cohort

Craig Weston
Casey Riles
Lisa Simmons
Tracy Arsenault
Jacque Hughes
Mara Betancourt

TMSA Texas Schools to Watch Achievement: Hillwood Middle School

Earlier this year, Hillwood Middle School was named one of the *Texas Schools to Watch* by the Texas Middle School Association (TMSA). As a *Texas School to Watch*, Hillwood Middle joins a network of over 100 schools throughout the United States, and only 21 other middle schools in the state of Texas, that have achieved this elite status. Hillwood Middle School was showcased at the TMSA Conference in Galveston in February, as well as recognized at the Annual National Schools to Watch Conference in Washington DC in June. In addition, TMSA hosted a celebration in May honoring HMS students, teachers and administrators. The exciting event included a special guest appearance by Fort Worth Mayor Betsy Price, as well as performances by the Hillwood Middle choir and cheerleaders, the Central High School drumline, and a surprise flash mob.

A committee from the Texas Middle School Association visited Hillwood back in December 2014, where they talked to campus administrators, teachers, students, parents, and district administrators. The committee graded the campus using a rubric that included Academic Excellence, Developmental Responsiveness, Social Equity, and Organizational Structures and Processes.

Hudson Foundation Transformation Projects: Grant Winners

For the seventh consecutive year, the M.R. and Evelyn Hudson Foundation has donated more than \$60,000 to Keller ISD for use on innovative and transformative projects from teachers and staff. Out of nearly 100 applications, 16 projects were selected for funding over the next school year. Congratulations to the following funding recipients:

General Category

- 1-2-3 Plug In To Creativity**, Kerri Harris (Hillwood MS) - \$3,000
- Bloom Where You Are Planted**, Kelly Davisson (Early Learning Center) - \$6,000
- Checkmate**, Tracey Hill (Whitley Road ES) - \$2,000
- Continuing Our Journey at Timberview with RCA**, Allison Esparza (Timberview MS) - \$3,000
- Dewey Need Art in the Library? We Do!**, Paula Antonevich (Fossil Ridge HS) - \$3,500
- Musical Garden**, Tamara Masters (Keller-Harvel ES) - \$4,500
- Once Upon a Canvas**, Amy Westfall (Independence ES) - \$2,000
- Quadcopter for AAV, Photography, and Engineering**, Shawn Schmuck (Keller HS) - \$5,000
- The Reading "Rendezvous"**, 11 Kelli Mills, Jessica Hill, Ginger Broussard, Jana Mathson, Jenny Russell, Cheryl Clarkson, Joni Anthony, Cindy D'Amico (Liberty ES) - \$8,000

R.O.C.K. Big, Cyndy Hanna (Hidden Lakes ES) and Kristina York (Parkview ES) - \$3,000

Principal Category

4-C Think Tank, Steve Hurst (Lone Star ES) - \$5,000

Books in Every Bear Cub Den!, Christy Johnson (Early Learning Center) - \$2,000

Changing Spaces, Stacy Blevins (Bluebonnet ES) - \$4,793

Every Kid Needs a CHAMPion, Becky Wilder (Ridgeview ES) and Heather Varon (Freedom ES) - \$2,600

The Next Generation - Coaching Reading in the 21st Century, Becky Wilder (Ridgeview ES), Heather Varon (Freedom ES), Dawn Bailey (Heritage ES), Mark Basham (Independence ES) - \$6,400

Revolutionize the Road, Amy Erb (Whitley Road ES) - \$4,207.

Honoring Lifesaving Heroes: TSMS Security Officer and WSES PE Aide Frederick Cavitt, TSMS Security Guard

Trinity Springs Middle School Security Guard Frederick Cavitt came to the rescue during a lunch at Trinity Springs Middle School this past spring, where an 8th grader began choking on part of his meal. Cavitt saw the student clutch his chest and lean over the table. He immediately called for a nurse and administered the Heimlich maneuver. After about three to four abdominal thrusts, the cookie obstructing the student's airway was dislodged, saving the young man's life.

Lisa Davis, WSES PE Aide

Similarly during lunch at Woodland Springs Elementary this past May, a second grade student was leaving cafeteria when she began choking on food from her lunch. PE Aide Lisa Davis was walking by the cafeteria and recognized the signs that the student was choking. Without hesitation, she performed the Heimlich maneuver and saved the little girl's life.

Keller ISD is very thankful to both of these individuals for their quick thinking and heroic actions!

GENERAL FUND

The General Fund has a budgeted deficit of (\$9,047,586) for the 2015-16 fiscal year. Projected Budgeted Fund Balance at August 31, 2016 is approximately \$57,568,654.

REVENUES

General Fund budgeted revenues are projected to slightly increase by \$718 thousand, or .29% from 2014-15 projected actual revenue. The following table provides a comparison of revenues by source for 2015-16 and the two years prior.

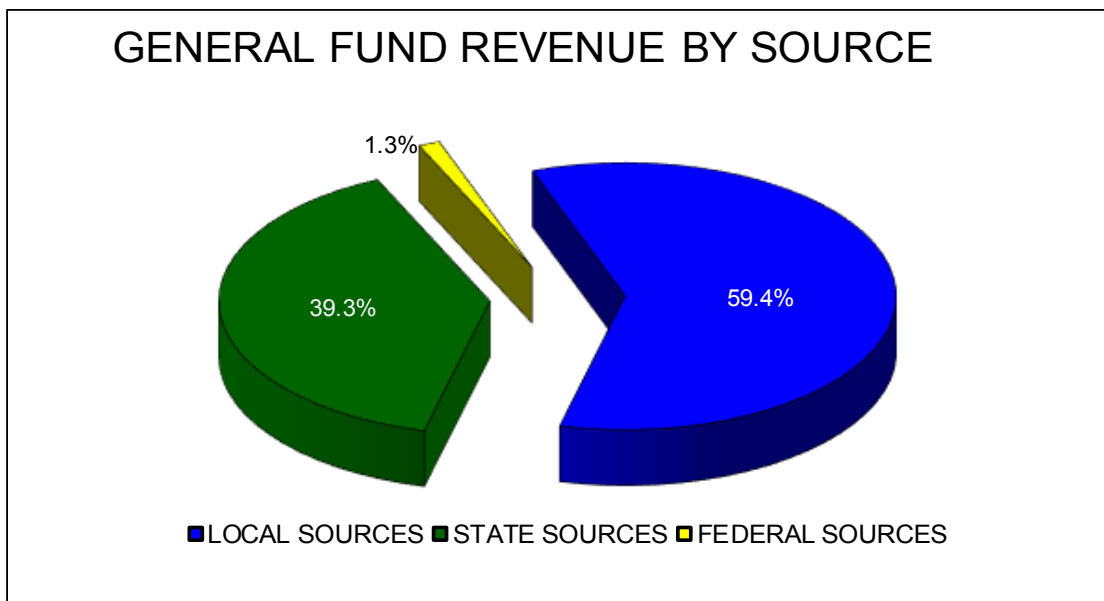
GENERAL FUND REVENUE SOURCES COMPARISON

	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Amount Increase (Decrease)	Percent Increase (Decrease)	Percent of Total
LOCAL SOURCES	\$ 126,533,645	\$ 135,939,321	\$ 146,654,935	\$ 10,715,614	7.88%	59.4%
STATE SOURCES	105,325,844	106,842,417	96,942,490	(9,899,927)	-9.27%	39.3%
FEDERAL SOURCES	1,980,757	3,222,267	3,125,000	(97,267)	-3.02%	1.3%
	\$ 233,840,246	\$ 246,004,005	\$ 246,722,425	\$ 718,420	0.29%	100.00%

Budgeted local revenue for 2015-16 reflects an increase from the previous year, mostly due to higher property values. Budgeted state revenue in 2015-16 reflects a decrease from the previous year by (\$9.9) million or (9.27%). This is basically an artificial decrease, as it is caused by TRS on Behalf revenues of \$8 million included in 2014-15 but not in 2015-16. Not considering TRS on Behalf, state revenues, decreased by \$1.9 million. Revenue from federal sources is also expected to decrease in 2015-16 by 3.02% due to a projected decrease in revenue from the eRate program.

For the 2015-16 fiscal year, approximately 39.3% of the General Fund budgeted revenue will be derived from state sources. Local funding sources are estimated at 59.4%. In 2014-15, the percentage of projected state revenue was 43.4%, while the percentage of projected local revenue was 55.3%. As the district's property values rise, more local revenue is generated which results in less state aid.

2015-2016 REVENUE BY SOURCE



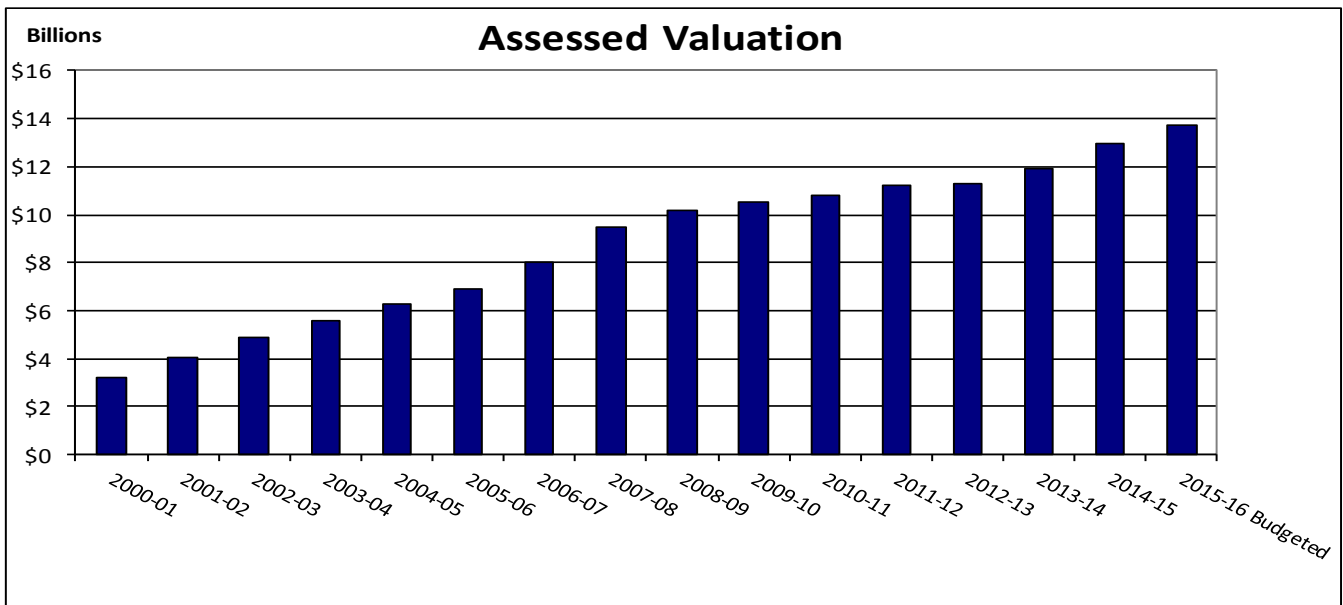
KELLER ISD 2015-2016 BUDGET

Revenue from property taxes is the district's single largest source of revenue, comprising 59.4% of the total general fund revenue budget. Property values have risen consistently since the 2000-01 fiscal year.

The following graph depicts Keller ISD's increasing taxable property value activity over time.

TAXABLE PROPERTY VALUES

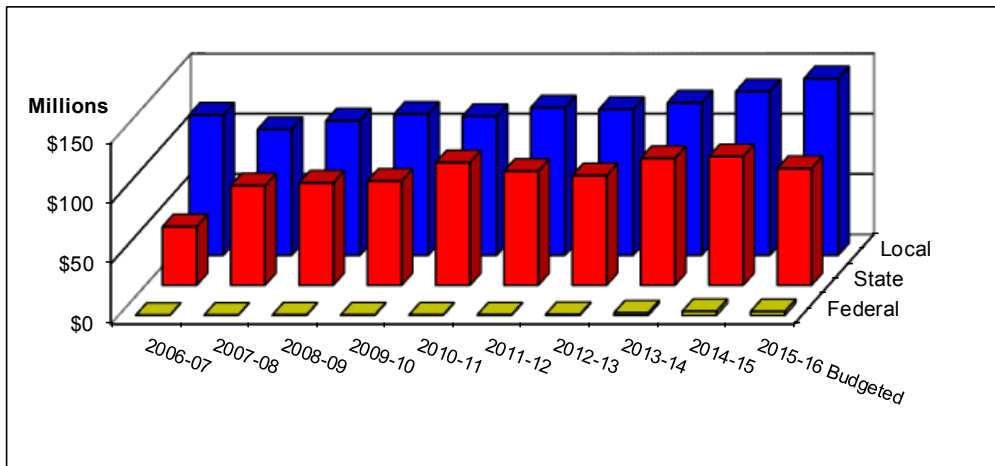
Year	Assessed Valuation	Percent of Growth
2000-01	3,212,519,668	12.10%
2001-02	4,057,640,024	26.31%
2002-03	4,863,228,912	19.85%
2003-04	5,562,591,669	14.38%
2004-05	6,259,451,106	12.53%
2005-06	6,932,158,654	10.75%
2006-07	8,014,015,193	15.61%
2007-08	9,482,514,598	18.32%
2008-09	10,212,543,961	7.70%
2009-10	10,518,985,594	3.00%
2010-11	10,838,009,000	3.03%
2011-12	11,200,638,123	3.35%
2012-13	11,303,854,760	0.92%
2013-14	11,925,386,754	5.50%
2014-15	12,950,447,900	8.60%
2015-16 Budgeted	13,736,930,336	6.07%



Taxable property values increased by approximately \$786 million in 2015-16. The rate of increase in taxable property values for the 2015-16 year is 6%. Property value growth has been as high as 26.31% in 2001-02 and as low as .92% in 2012-13.

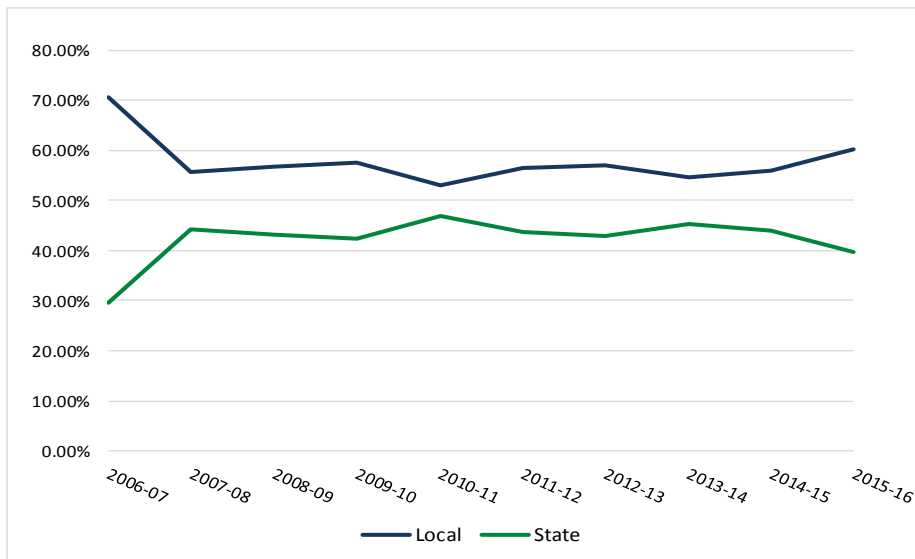
REVENUE SOURCE TRENDS

From fiscal year 2006-07, the distribution of revenue had shifted considerably from state sources to local sources. For instance, 29.47% of general fund revenue (not including federal revenue), was from the state and 70.53% was from local sources in 2006-07. Beginning with the 2007-08 fiscal year, the effect of HB1 changed the distribution dramatically. By 2014-15, state revenue climbed to 44.01% and the local share was reduced to 55.99%. For the 2015-16 budget, state revenue dropped to 39.80% of total budgeted state and local revenue while local revenue increased to 60.20%. This was due mostly to a significant increase in property values for 2014-15. The percentage of total revenue by source from 2006-07 to 2015-16 is presented on the following graph.



Year	Local	State	Federal
2006-07	116,475,309	48,662,261	9,386
2007-08	104,365,640	82,621,118	33,815
2008-09	111,660,630	84,944,885	244,835
2009-10	117,182,293	86,473,461	238,831
2010-11	115,342,108	101,741,928	223,961
2011-12	122,477,457	94,683,993	346,711
2012-13	121,132,398	90,958,923	598,641
2013-14	126,533,645	105,325,844	1,980,757
2014-15	135,939,321	106,842,417	3,222,267
2015-16 Budgeted	146,654,935	96,942,490	3,125,000

PERCENTAGE OF LOCAL AND STATE REVENUES



Year	Local	State
2006-07	70.53%	29.47%
2007-08	55.81%	44.19%
2008-09	56.79%	43.21%
2009-10	57.54%	42.46%
2010-11	53.13%	46.87%
2011-12	56.40%	43.60%
2012-13	57.11%	42.89%
2013-14	54.57%	45.43%
2014-15	55.99%	44.01%
2015-16	60.20%	39.80%

After determining the necessary level of expenditures to meet the educational goals and facility requirements of the District, and after estimating state aid utilizing the state funding formula, the tax rate necessary to fund remaining expenditures is calculated.

This calculation is based on estimated property values, after giving consideration to exemptions, including the homestead exemption, and the tax burden of our taxpayers. For 2015-16, the effect of a \$10,000 increase in the homestead exemption had to be considered. Current law limits a school district's maintenance and operations tax rate to 66.67% of their 2005-06 rate plus four cents, or up to an effective rate of \$1.04 per \$100 of taxable valuation. Additional pennies beyond the \$1.04 per \$100 of taxable valuation up to the maximum tax rate of \$1.17 per \$100 taxable valuation require voter approval.

EXPENDITURES

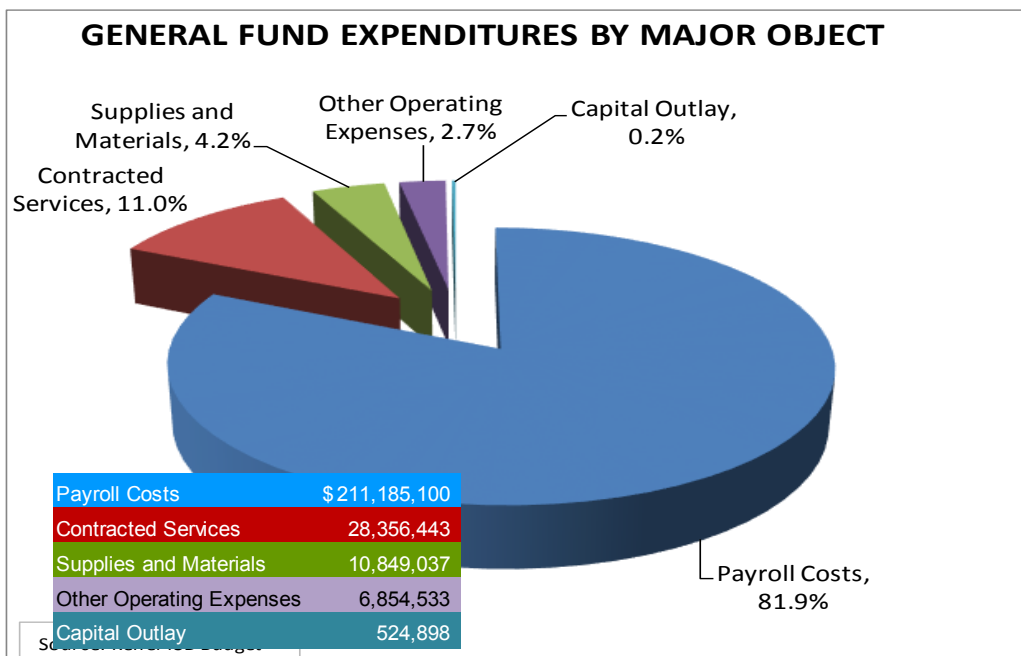
General Fund expenditures are budgeted to increase by approximately \$1.96 million or .77% over projected actual 2014-15 expenditures.

The following table provides a comparison of expenditures by major object for 2015-16 and the two years prior.

**GENERAL FUND EXPENDITURES BY MAJOR OBJECT
COMPARISON TO PRIOR YEAR**

	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Amount Increase (Decrease)	Percent Increase (Decrease)	Percent of Total
61XX Payroll Costs	191,101,612	\$ 207,921,332	\$ 211,185,100	\$ 3,263,768	1.57%	81.9%
62XX Contracted Services	21,655,893	24,422,944	28,356,443	3,933,499	16.11%	11.0%
63XX Supplies and Materials	12,425,217	12,678,070	10,849,037	(1,829,033)	-14.43%	4.2%
64XX Other Operating Expenses	9,004,017	8,949,755	6,854,533	(2,095,222)	-23.41%	2.7%
65XX Capital Outlay	1,553,856	1,835,737	524,898	(1,310,839)	-71.41%	0.2%
Total Expenditures	\$ 235,740,595	\$ 255,807,838	\$ 257,770,011	\$ 1,962,173	0.77%	100.00%

The chart below reflects 2015-16 general fund expenditures by major object as a percentage of total expenditures.



PAYROLL COSTS

As the education of students is a labor intensive process, payroll expenditures comprise 81.9% of General Fund budgeted expenditures. Payroll expenditures consist of salaries and benefits.

Budgeted expenditures for salaries are determined in accordance with established staffing guidelines that are based on projected student enrollment at each individual campus. Additional staff may be allocated to a school based upon student demographics or special programs.

Prior to the 2012-13 budget, district teachers, counselors, librarians, nurses, speech therapists and diagnosticians had not received a salary increase since the 2010-11 fiscal year. Paraprofessionals had not received a salary increase since the 2009-10 fiscal year and the last salary increase for administrators was in 2008-09. Beginning with the 2012-13 budget, the Board of Trustees authorized a 3% of midpoint raise for all staff, at a cost of approximately \$4.5 million and in an effort to approach market salary levels, continues to authorize annual raises at 3% of midpoint. The salary increase included in the 2015-16 budget amounts to approximately \$6 million.

Benefits provided to employees include health insurance, workers compensation, Medicare, and retirement benefits from the Teacher Retirement System (TRS). TRS on Behalf is not considered a true cost to the district because the district's expenditure amount is matched by revenue received from the state, creating a net effect of zero. Neither the revenue nor the expenditure for TRS on Behalf is budgeted for 2015-16, as the amount is generally unknown until year end. Excluding TRS on Behalf, the budgeted payroll for 2015-16 is 1.57% higher than the projected actual 2014-15 payroll expenditures.

Due to market conditions and the Affordable Health Care Act, Group Health Insurance premiums significantly increased for 2015-16. To offset a portion of the additional costs for district employees, the Board of Trustees appropriated \$600,000 in the 2015-16 budget to assist the Health Insurance Fund.

In an effort to offset the rising cost of health insurance claims, the Board of Trustees also authorized \$589,000 from the general fund budget to assist in funding costs for the District Wellness Clinic. This clinic provides free services to district employees enrolled in the district's health plan. The goal is to reduce claim expense in the Health Insurance fund, resulting in a healthier financial situation for that fund.

KELLER ISD 2015-2016 BUDGET

The Contracted Services budget for 2015-16 is approximately \$3.9 million more than the 2014-15 projected actual expenditures. This equates to an increase of 16.11%. The majority of this increase was due to increased utility costs. Water and sewer increased 14.10%, gas increased by 40.81% and telecommunications increased by 24.79%. Prior to 2015-16, approximately half of electricity expenses were paid through a shared services arrangement with the other half paid through contract services. Beginning in 2015-16, all electricity expenses are budgeted through contract services. Budgeted electricity expenses for 2015-16 compared to the combined contract services and other operating expenditure electricity expenses for 2014-15 increased by 8.94%.

The 2015-16 Supplies and Materials budget decreased from prior year projected actual expenditures by (14.43%) or (\$1,829,033). The main decrease was in technology equipment purchases, (\$1,250,704).

Other Operating Expenses decreased by approximately (\$2,095,222), or (23.41%) for 2015-16 as compared to 2014-15 projected actual expenditures. As explained above, electricity expenses were moved from a fiscal agents shared services agreement to a contract services expense contributing to this decrease.

The Capital Outlay budget includes a (71.41%) decrease or (\$1,310,839) for 2015-16. The prior year included replacement of dehumidification and air conditioning units for the KISD Natatorium, replacement of technology servers, boiler replacements, athletic improvements, band instruments and sound system upgrades for fine arts. These purchases were completed in 2014-15.

Each year the State Comptroller's Office rates the largest 200 school districts in Texas in regard to their combined academic and financial performance to determine the "academic efficiency" of budgeted dollars. For the 2014 year, Keller ISD earned 4.5 stars. Each district is assigned a FAST rating of one to five stars, indicating its success in combining cost-effective spending with the achievement of measurable student academic progress. Five stars reflects the strongest relative progress combined with the lowest relative spending. For the previous 4 years, Keller ISD was one of only 11 districts in the state of Texas to receive five stars four years in a row. The slight decline in the rating for 2014 was attributable to student academic progress related to the district's changing demographics, rather than to financial efficiency.

The District strives to allocate the majority of its resources to the instructional function. Administrative costs are comparatively minimal. The following depicts the District's budget emphasis on curriculum and instruction, while continuing to control and monitor administrative expenditures. Administrative costs represent 2.6% of the total budget, whereas instructional related expenditures represented 65.15% of the budget.

GENERAL FUND EXPENDITURES BY MAJOR FUNCTION CATEGORY						
COMPARISON TO PRIOR YEAR						
	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Amount Increase (Decrease)	Percent Increase (Decrease)	Percent of Total
10 Instruction Related	\$ 153,105,274	\$ 166,331,139	\$ 167,932,372	\$ 1,601,233	0.96%	65.15%
20 Instructional and School Leadership	17,390,607	18,363,953	18,875,808	511,855	2.79%	7.32%
30 Support Service-Pupil	26,562,681	28,474,992	27,740,030	(734,962)	-2.58%	10.76%
40 General Administration	5,044,001	6,242,307	6,737,064	494,757	7.93%	2.61%
50 Support Services - Non Pupil	26,389,810	28,697,597	32,032,642	3,335,045	11.62%	12.43%
90 Intergovernmental Charges	6,549,578	6,338,221	3,834,918	(2,503,303)	-39.50%	1.49%
Other	698,644	1,359,629	617,177	(742,452)	-54.61%	0.24%
	\$ 235,740,595	\$ 255,807,838	\$ 257,770,011	\$ 1,962,173	0.77%	100.00%

DEBT SERVICE FUND

The Debt Service Fund for 2015-16 anticipates an excess of revenues in the amount of \$4.2 million. Debt Service budgeted fund balance at August 31, 2016 is projected at \$9,385,526 million.

Debt Service Fund total revenues are budgeted to increase by approximately 6.69 million from projected actual 2014-15 revenues. The following table provides a comparison of revenues by source for the 2014-15 and the 2015-16 year.

DEBT SERVICE FUND REVENUE SOURCES COMPARISON

	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Amount Increase (Decrease)	Percent Increase (Decrease)
LOCAL SOURCES	\$ 59,557,384	\$ 64,083,502	\$ 68,497,805	\$ 4,414,303	6.89%
STATE SOURCES	175,493	117,988	-	(117,988)	-100.00%
	\$ 59,732,877	\$ 64,201,490	\$ 68,497,805	\$ 4,296,315	6.69%

Revenues from local sources are comprised of property tax revenue and investment income. As in 2014-15 property tax revenue, including delinquent revenue and associated fees, comprise 100% of local revenue in the debt service fund. The State Instructional Facility (IFA) as well as the Existing Debt allotment (EDA) have been eliminated. Although the debt service tax rate remained constant at \$0.50 per \$100 valuation, property tax revenue is budgeted to increased by approximately 6% for 2015-16 due to higher property values.

DEBT SERVICE FUND EXPENDITURES COMPARISON

	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Amount Increase (Decrease)	Percent Increase (Decrease)
PRINCIPAL	\$ 23,934,769	\$ 23,278,028	18,517,573	\$ (4,760,455)	-20.45%
INTEREST	35,136,159	39,811,005	45,736,852	5,925,847	14.88%
FEES	226,587	6,744,314	50,000	(6,694,314)	-99.26%
TOTAL	\$ 59,297,515	\$ 69,833,347	\$ 64,304,425	\$ (5,528,922)	-7.92%

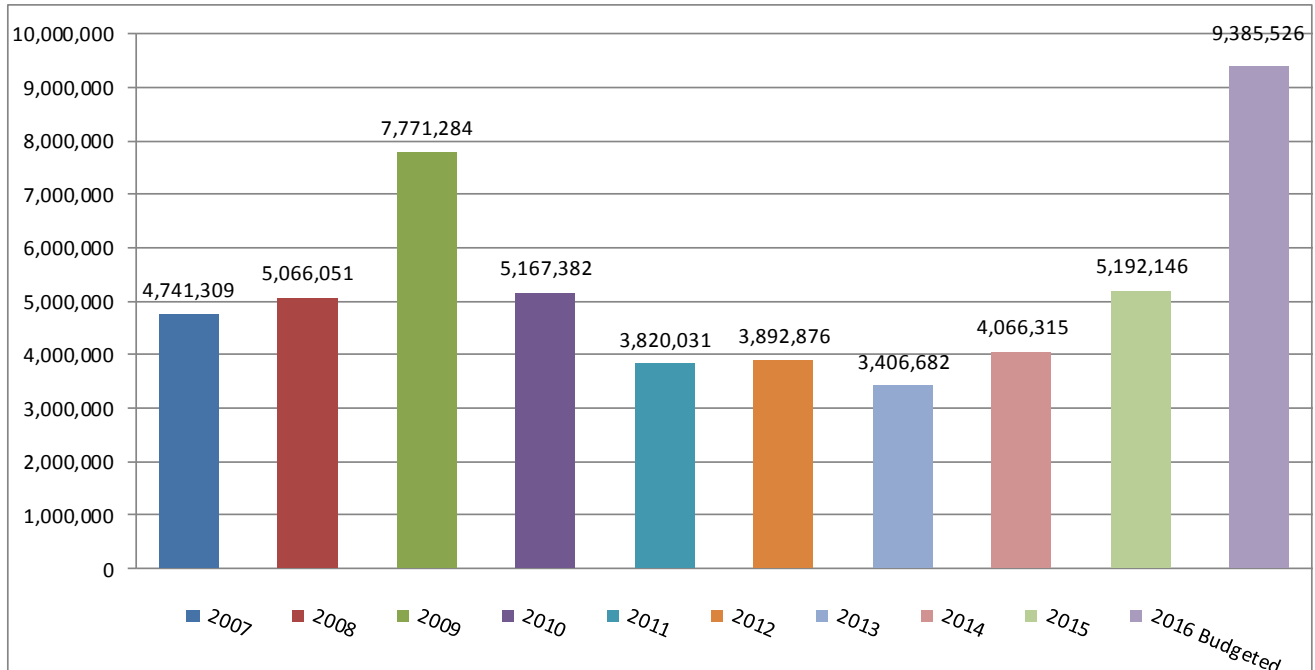
Debt Service Fund expenditures for 2015-16 are budgeted at \$64,304,425, a decrease of (\$ 5,528,922), or (7.92%) less than 2014-15 projected actual expenditures. Interest expense increased and principal costs decreased due to the effects of recent bond refundings. The District's debt service tax rate is at the maximum amount allowed by law.

KELLER ISD 2015-2016 BUDGET

The following graph shows actual Debt Service Fund Balance from 8/31/07 through 8/31/15 and budgeted fund balance for fiscal year 2016. The District strives to maintain a Debt Service Fund Balance of 10% of Debt Service Fund expenditures.

As of August 31, 2015, the Debt Service Fund Balance was projected to be 8.07% of 2015-16 budgeted expenditures.

DEBT SERVICE FUND BALANCE AS OF AUGUST 31



The District attempts to structure debt with a principal retirement schedule that allows the issuance of bonds with minimal increases to the Debt Service tax rate.

On January 1, 2015, the District issued \$153,875,000 in Unlimited Tax School Building Bonds to construct, renovate and equip school buildings with maturities between 2015 and 2040.

On September 1, 2014, the District issued \$56,565,000 in Unlimited Tax Refunding Bonds, with interest rates between 2.00% and 5.00% to advance refund \$59,620,000 of series 2007 Bonds with original maturities between 2018 and 2028 and interest rates between 4.00% and 5.00%. The refunding was undertaken to reduce the District's total debt service payments over the next 17 years by approximately \$6,061,988 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$5,004,096.

On April 15, 2015 the District issued \$98,675,000 in Unlimited Tax Refunding Bonds, with interest rates between 2.00% and 5.00% to advance refund \$37,840,000 of series 2005 Bonds with original maturities between 2025 and 2030 and interest rates between 4.45% and 4.75%, to advance refund \$10,800,000 of series 2005 Bonds with original maturities between 2025 and 2030 with interest rates between 4.55% and 5.00%, and to advance refund \$63,630,000 of series 2007 Bonds with original maturities between 2029 and 2032 with an interest rate of 4.75%. The refunding was undertaken to reduce the District's total debt service payments over the next 17 years by approximately \$17,949,600 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$11,021,795.

On April 15, 2015 the District issued \$116,577,588 in Unlimited Tax Refunding Bonds, with interest rates between 4.00% and 5.00% to advance refund \$116,660,000 of series 2009 Bonds with original maturities between 2020 and 2035 and interest rates between 4.50% and 5.50%. The refunding was undertaken to reduce the District's total debt service payments over the next 20 years by approximately \$11,780,113 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$8,488,687.

The District defeased certain outstanding unlimited tax school building bonds from Series 2007 and 2009 by placing the proceeds of new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust accounts and the defeased bonds are not included in the District's financial statements. At August 31, 2015, \$123,250,000 and \$116,660,000 are considered defeased on Series 2007 and 2009, respectively.

CHILD NUTRITION FUND

The following table provides a comparison of revenues by source for the 2014-15 year and the 2015-16 budget year. The Child Nutrition Fund revenue is budgeted to increase \$ 221,857 or approximately 1.73% more than 2014-15 projected actual revenue.

CHILD NUTRITION FUND REVENUE SOURCES COMPARISON

	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Amount Increase (Decrease)	Percent Increase (Decrease)
LOCAL SOURCES	\$ 7,281,195	\$ 7,288,110	\$ 7,652,087	\$ 363,977	4.99%
STATE SOURCES	375,242	344,988	71,413	(273,575)	-79.30%
FEDERAL SOURCES	4,993,755	5,179,152	5,310,607	131,455	2.54%
TOTAL	\$ 12,650,192	\$ 12,812,250	\$ 13,034,107	\$ 221,857	1.73%

The Child Nutrition Fund encompasses the operations of the district's school cafeterias. The local revenues are derived from charges to users. Local revenue is budgeted to increase as a result of an increase in sales due to student growth and efforts to increase program participation. The federal revenue is received from the U. S. Department of Agriculture under the National School Lunch Program and the School Breakfast Program. Federal revenue is expected to increase due to increased program participation.

Child Nutrition Fund expenditures for 2015-16 are budgeted at \$12.18 million, a decrease of (\$1,562,096) or (11.36%) less than 2014-15 projected actual expenditures. The decrease is due mostly to the renovation of serving lines at many campuses and the purchase of a food truck in 2014-15. Payroll costs decreased due to TRS on Behalf expenses which are included in 2014-15 projected actual amounts, but not in 2015-2016 adopted budget amounts. The Contracted Services budget for 2015-2016 increased by 4.17%, while the supplies and materials budget decreased by \$887,913 due to the purchase of one-time supplies and small wares in the 2015 fiscal year. There is nothing budgeted in capital outlay for 2015-2016.

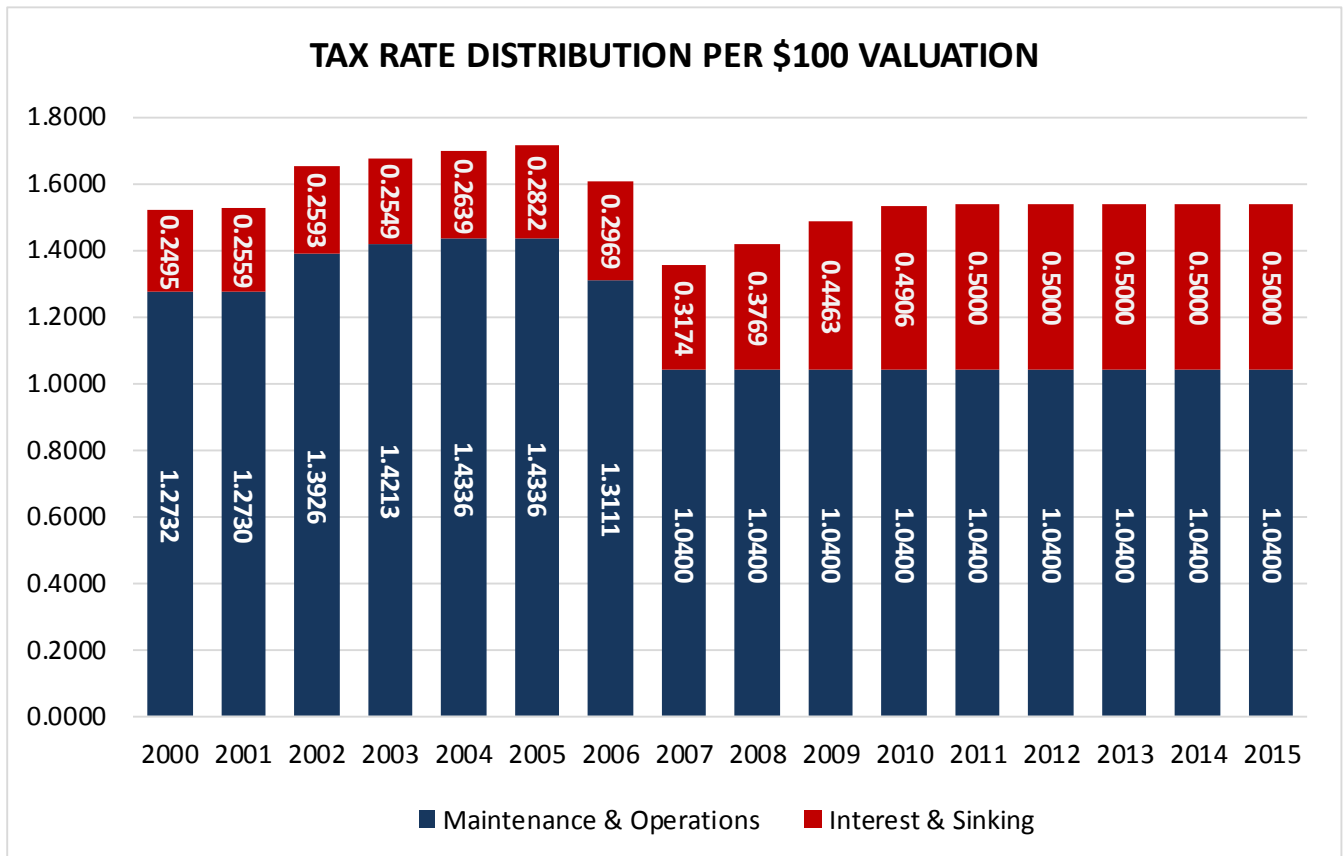
CHILD NUTRITION FUND EXPENDITURES BY OBJECT COMPARISON

	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Amount Increase (Decrease)	Percent Increase (Decrease)
Payroll Costs	\$ 4,644,549	\$ 4,887,610	\$ 4,387,163	\$ (500,447)	-10.24%
Contracted Services	7,444,628	7,395,556	7,703,859	308,303	4.17%
Supplies and Materials	375,013	969,998	82,085	(887,913)	-91.54%
Other Operating Expenses	9,065	9,914	11,000	1,086	10.95%
Capital Outlay	1,323,817	483,125	-	(483,125)	-100.00%
	\$ 13,797,072	\$ 13,746,203	\$ 12,184,107	\$ (1,562,096)	-11.36%

TAX RATE

The District's tax rate consists of two separate components, a local maintenance rate and a debt service rate. Development of each of these components has been discussed in previous pages. Taxes are calculated by dividing the assessed property value (less exemptions, if applicable) by 100 and multiplying the result by the tax rate. The Tarrant County Appraisal District determines property values for Keller Independent School District. The Texas Education Code limits a school district's maintenance and operations tax rate to \$1.04 per \$100 taxable valuation. A tax rate in of up to \$1.17 (state allowed maximum) per \$100 taxable value requires voter approval.

The graph that follows depicts the tax rate distribution from 2000-2015.



BUDGET PROCESS AND SIGNIFICANT CHANGES

The State, the Texas Education Agency (TEA), and the local district formulate legal requirements for school district budgets. These requirements are stipulated in detail within the subsequent sections of this document.

KISD maintains a five-year Long-Range Financial Forecast, which contains contributions from many departments in the district. Estimates of student demographics, taxable values, State Aid, debt repayment needs, facility needs and the need for any additional bond sales are only some of the items that are tracked and projected. This Financial Forecast is actually the first step in the KISD budget process.

Beginning in March, the Finance department begins the budget process by analyzing the needs of the district versus the resources available. Based on the estimated tax levy, tax rates are estimated and tax collection amounts derived. State funding projections are then estimated based on the state funding formula and enrollment projections. Enrollment projections are also used to determine per-pupil allocations to campuses, instructional staffing allocations and other required service levels. Rough estimates of expenditures, including salaries and debt repayment, are determined.

After a preliminary picture of budget resources and needs are determined, a budget workshop takes place in April or May to determine the budget direction for the next year. All known financial facts and figures are taken into consideration at that time, and the Board of Trustees determine their priorities and give direction to staff. The budget process then begins in earnest.

The District utilizes site-based budgeting and program based budgeting in which each campus budget is prepared by the campus principal and his/her staff. Each campus receives a basic allotment per student to be used for supplies, materials, equipment, staff development, and other appropriate instructional costs. The initial basic allotment per student for the 2015-16 budget has remained the same for over ten years.

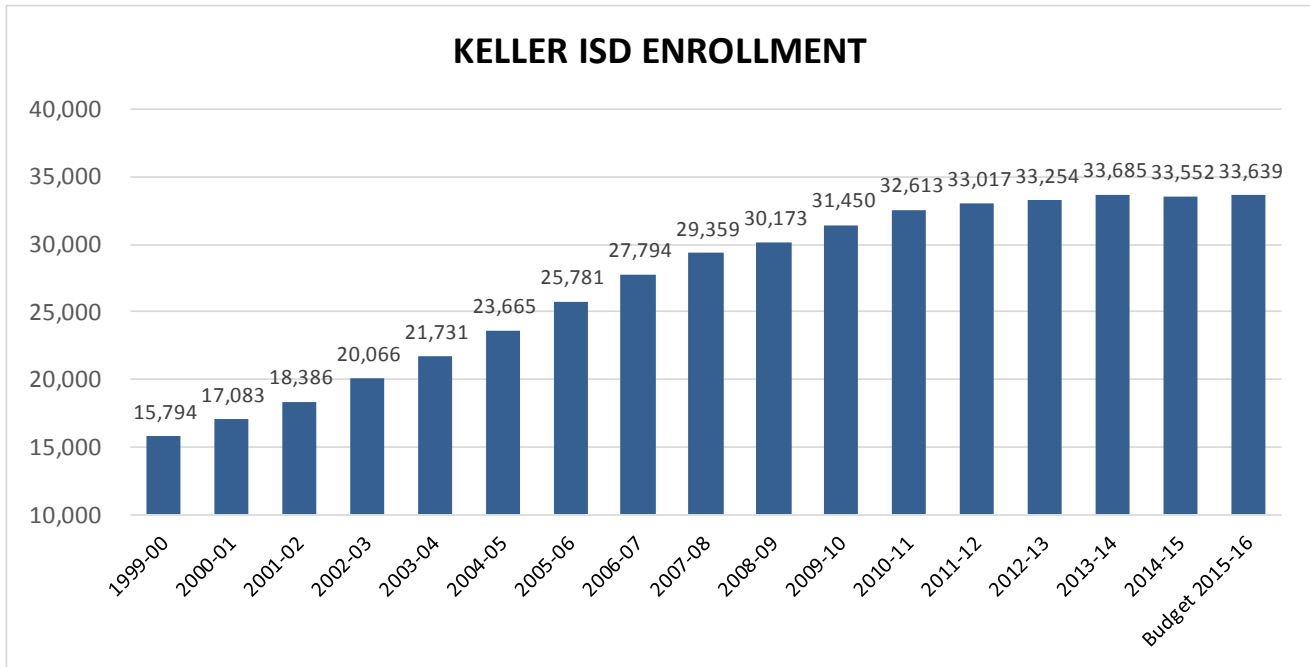
Budgets for administrative departments are developed by the department administrator based on an allotment determined by the Director of Finance from historical data. All campus and department budgets are then reviewed by the Director of Finance and the finance staff. Requests for additional funds are compiled by the Chief Financial Officer. The Superintendent and his executive team review these requests and make recommendations to the Board for inclusion in the budget.

Payroll budgets are developed by applying existing and projected staffing to approved payroll schedules. Positions are allocated to each campus based on projected student enrollment which follows state mandated ratios, if applicable. New positions requested are approved by the Board of Trustees prior to the completion of the budget.

While individual budgets are being developed, the Finance department updates revenue projections based on revisions to property values and state funding. Regular reports are made throughout the spring to inform the Board and receive feedback and direction. Efforts intensify in June and July and budget workshops occur at least monthly until final adoption occurs at the end of August.

KEY FACTORS AND SUMMARY

Keller ISD has grown significantly since 1999-00. The continual increases in enrollment have presented challenges to budgeting effectively for the District. However, beginning in fiscal year 2011-12, enrollment began to increase at a much slower rate. The projected student enrollment for 2015-16 is 33,639 students. These changes are shown on the graph below.



These enrollment increases require additional campus personnel, support staff, instructional facilities, equipment, and supplies. The District faces future challenging events: growing populations and a state funding formula that effectively caps the revenue per student. Unless the state legislature corrects this issue, the revenue cap per student will make it difficult to fund salary increases in future years. The virtual cap on state revenue per student coupled with additional requirements for the use of resources adds to the challenges mandated by the State.

The 2015-16 budget was developed according to the District’s mission, goals and directions 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 established criteria. Broadening and enhancing the overall learning experience for students was a major factor in developing the budget, as well as meeting the requirements of House Bill 5. The 2015-16 budget is predicated on these principles.

THE RESULTS

The academic year of 2011-2012 introduced the new state assessment program State of Texas Assessments of Academic Readiness (STAAR). STAAR replaced the TAKS testing for grades 3 through grade 10 beginning in 2012-2013. Students in grade 11 continued to test under the TAKS methodology. Students in grades 9 and 10 were tested using end of course examinations.

In 2013 the Texas Legislature enacted House Bill 5, which called for End of Course assessment of students in Algebra I, biology, English I, English II, and United States history. The bill removed World Geography, Chemistry, Geometry, World History, Physics and Algebra II from the required testing.

The purpose of the STAAR EOC assessments is to measure students' academic performance in core high school courses and became part of the graduation requirements beginning with the freshman class of 2011–2012.

Students first enrolled in grade 9 or below in the 2011–2012 school year are required to take the STAAR EOC assessments for courses in which they're enrolled as part of their graduation requirements. The STAAR EOC assessments cover content in the TEKS.

The 2014-2015 grade 3 through 8 STAAR test results and the End of Course examination for students in grade 9 through 12 results compared to the state test results are as follows:

		State	KISD
Grade 3	Reading	77%	84%
Grade 4	Reading	74%	85%
	Writing	70%	78%
Grade 5	Reading	87%	92%
	Science	72%	77%
Grade 6	Reading	77%	88%
Grade 7	Reading	76%	89%
	Writing	73%	83%
Grade 8	Reading	88%	94%
	Science	71%	77%
	Social Studies	65%	77%

	Biology	Algebra I	US History	English I	English II
State	91%	81%	91%	71%	72%
Keller ISD	97%	92%	97%	89%	87%

KELLER ISD 2015-2016 BUDGET

The ACT recently provided Keller ISD with a report that documented that District student ACT scores have surpassed state averages for the past five years.

In 2014, Keller ISD students averaged a composite score of 23.1 on the ACT, that is three-tenths higher than the previous year and 2.2 points higher than the average ACT test-taker in Texas.

The District also increased the overall number of test-takers, and scores in respective testing categories were also all up from the previous year.

The percent of ACT-tested students ready for collect-level coursework is substantially higher than state averages. ACT uses college readiness benchmark scores for designated college courses.

College English Composition Readiness = 18 on ACT English test

College Algebra Readiness = 22 on ACT Mathematics test

College Social Science Readiness = 22 on ACT Reading test

College Biology Readiness = 23 on ACT Science Test

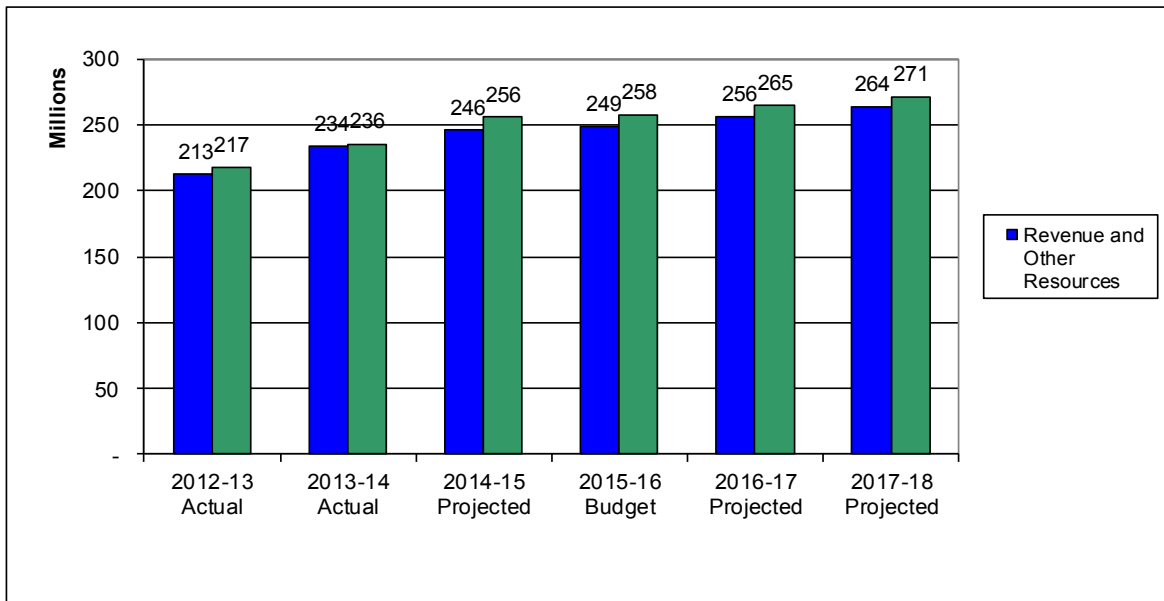
Keller ISD ACT test-takers outpaced state averages in each category, with 40 percent of test-takers in KISD meeting college readiness standards in all four categories compared to 26 percent in the state.

Grad Year	Tested	English		Mathematics		Reading		Science		Composite	
		District	District	State	District	State	District	State	District	State	District
2010	671	22.0	19.7	23.3	21.4	23.0	20.8	22.7	20.9	22.9	20.8
2011	745	21.9	19.6	23.1	21.5	22.6	20.7	22.5	20.8	22.7	20.8
2012	876	22.1	19.6	23.2	21.4	23.1	20.8	22.6	20.8	22.9	20.8
2013	967	22.1	19.6	23.1	21.5	23.0	21.0	22.6	20.9	22.8	20.9
2014	1,093	22.3	19.8	23.2	21.4	23.3	21.1	23.0	21.0	23.1	20.9

LONG RANGE FINANCIAL FORECAST

The Informational Section of this budget document contains many charts, graphs and schedules that display trends important to the development of this budget and future years' budgets. Some of these trends include enrollment trends, staffing trends, revenue and expenditure trends, taxable value and tax rate trends. Revenue and expenditure projections through the 2017-18 fiscal year are detailed and explained. A summary of the General Fund projections is presented in the following graph.

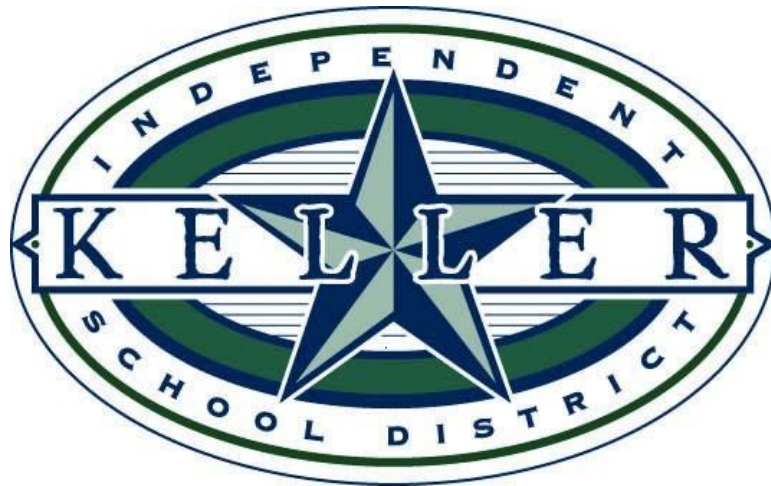
GENERAL FUND REVENUE AND EXPENDITURE FORECAST



Year	Revenue and Other Resources	Expenditures
2012-13 Actual	212,689,962	217,349,489
2013-14 Actual	233,840,246	235,740,595
2014-15 Projected	246,004,005	255,807,838
2015-16 Budget	248,722,425	257,770,011
2016-17 Projected	256,184,098	264,503,111
2017-18 Projected	263,869,621	271,468,205

Lawsuits originally filed in October 2011 on behalf of more than 500 Texas School Districts were appealed to the Texas Supreme Court in September 2014 after Judge John Dietz of the 250th District Court found the current state funding formula unconstitutional. The outcome of this case will greatly influence the state revenue expectations for future years.

The 84th Legislature also passed a measure which would increase the homestead exemption to homeowners and that the decrease in property tax revenue will be offset by state funding. At the time of this publication, the calculation of this state funding offset is not available. Funding projections are calculated with the assumption that all lost property tax revenue due to the increased homestead exemption will be funded in total through State funding sources.



KELLER ISD
Intentionally  Exceptional

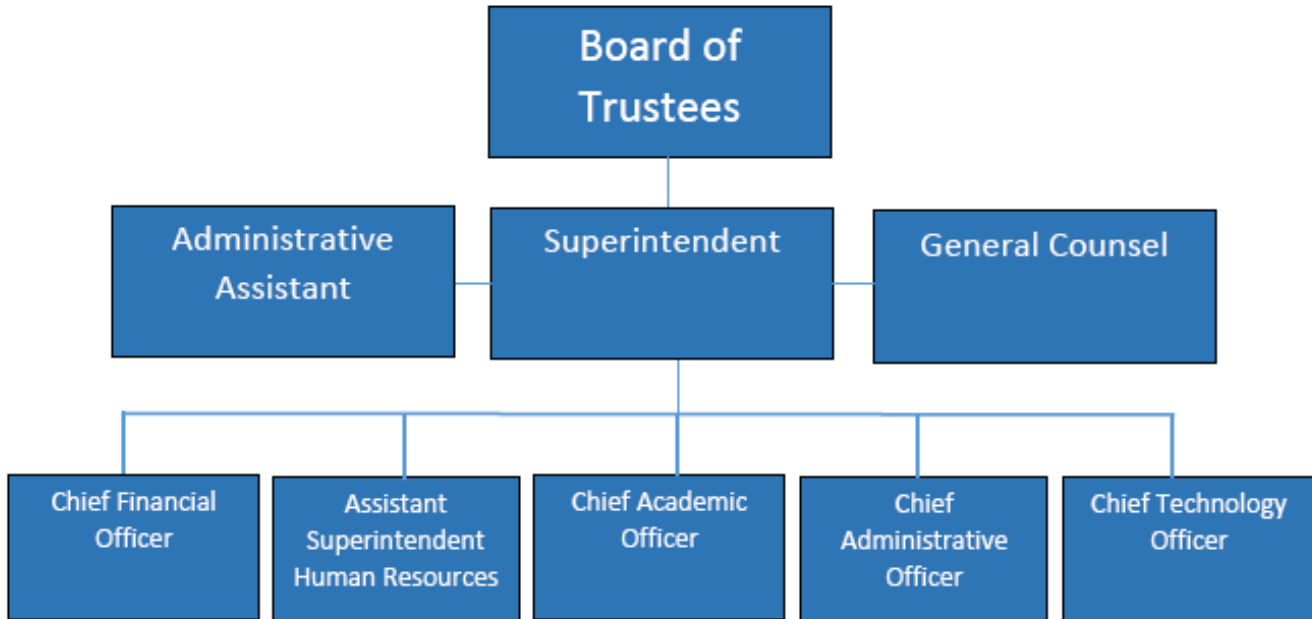
Organization Section



Amelia Smith
Colored Pencil
10th Grade
Keller High School/Lawrence

Keller Independent School District

2015-2016 Organizational Chart



**Keller Independent School District
FINANCIAL STRUCTURE AND BASIS OF ACCOUNTING**

Organizational Profile

Description of Entity

The Keller Independent School was established in 1911 and provides education to students in Pre-Kindergarten (Pre-K) to 12th grade as well as special education and adult transition services for students up to age 22.

The Keller Independent School District is an independent public educational agency operating under applicable laws and regulations of the State of Texas. A seven member Board of Trustees elected to staggered three-year terms by the District's residents autonomously governs the District. The Keller ISD Board of Trustees ("Board") is the level of government which has oversight responsibility and control over all activities related to public school education within the District. The District receives funding from local, state and federal government sources and must comply with all the requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined in generally accepted accounting principles.

The Texas Education Agency and Southern Association of Colleges and Schools provide the District's K-12 education accreditation. Enrollment in the 22 elementary, 5 intermediate, 5 middle, one middle/intermediate school, 4 high schools, an early learning facility and an alternative school for the fiscal year is estimated at 33,639, which is an increase of 5,845 (or a 21% increase) in the last ten years. Besides the 39 regular schools, the district utilizes 19 portable buildings, which provide approximately 38 additional classrooms.

The district employs 3,960 teachers, administrators and support personnel to serve the district's 39 campuses. KISD serves as the fourth largest employer behind AMR Corporation (American Airlines), Bell Helicopter and Fidelity Investments. KISD serves portions of nine cities: Colleyville, Fort Worth, Haltom City, Hurst, North Richland Hills, Southlake, Watauga, Westlake and the entire city of Keller. The district's 51 square miles encompass the seventh largest land area, fourth largest student community and third largest property tax base for school districts in Tarrant County.

KISD delivers educational services by following an aligned curriculum. All courses and programs are facilitated through an electronic curriculum that aligns with state standards.

Course offerings for PK-12 include the four basic areas of English (reading and writing), math, science and social studies, along with a full range of offerings in the visual and performing arts, foreign languages, Pre-Advanced Placement (AP) courses, AP courses, and a multitude of other challenging opportunities. High school students can complete course work through the Texas State Virtual School Network and through dual credit courses where student receive both high school and college credit.

Special programs that ensure success for all students include Special Education, Dyslexia, 504, Advanced Academics, Homebound, English as a Second Language, Bilingual programs for Spanish and Vietnamese students, and Career and Technical Education (CTE).

Student services incorporate health-related support programs, guidance and library/media services, bullying prevention programs, credit recovery, drop-out services and early interventions in support of academic and behavioral success. KISD also provides parent education with tailored sessions for dyslexic, ESL and bilingual parents. A parent drug education programs is required for parents of students in University Interscholastic League (UIL) programs, athletics and fine arts. Also provided by KISD are voluntary student drug testing programs, and cyber-safety and digital citizenship lessons for students.

Through its Career and Technology Education program, KISD provides opportunities for students to explore career possibilities and master skills that are in high demand in business and industry, such as arts and communication, health and medicine, science, engineering and technology, and social, personal and public services. Technology education students in middle school can gain skills in aerodynamics, CAD/construction, desktop publishing, electronics and controls, engineering structures, robotics and more. Middle school students have the opportunity to enroll in the Gateway to Technology class. This cutting-edge engineering program addresses the interest and energy of middle school students, while incorporating national standards in mathematics, science and technology.

Students who are enrolled in Health Science Technology Education on the high school campuses start as student interns, rotating through virtually every department at Baylor Regional Medical Center at Grapevine Hospital. As second year students they advance to clinics and doctor offices in our community.

These are just a few of the many classes offered by Keller ISD which afford students a head start in life after high school. The district is currently in the early stages of converting an intermediate school campus into a Career and Technology Education Center. This campus will house programs such as STEM (Science, Technology, Engineering and Math), Health Science, Architecture and Construction, Commercial Photography, Law and Public Safety, Computer Networking and Culinary Arts. Indian Springs Middle School would then be converted to serve grades 5-8.

The Board of Trustees implemented a "Pay for Ride" transportation system for the 2011-12 school year, which continued into the 2012-13 school year. This "Pay for Ride" transportation system was modified for the 2013-14 school year and will continue through the 2015-16 year providing free transportation to all regular education students residing outside a 2 mile radius from their home campus. Students residing in areas deemed "Hazardous" also receive free transportation. Bilingual or Pre-K students attending programs at a campus other than their home campus receive free transportation between these campuses. Free transportation is also provided for Special Education students. Students who are assigned to special education transportation are transported from Admission, Review and Dismissal specified pickup points without regard for minimum distance from school.

Governing Body

The seven member Board of Trustees serve, without compensation, a three year term in office. On a rotating basis, two or three places are filled during annual elections held the second Saturday of May. Vacancies may be filled by appointment until the next election. Candidates must be qualified voters of the District.

Regular meetings are scheduled the third Thursday of each month and are held at the Keller ISD Education Center. Special meetings and work sessions are scheduled as needed and announced in compliance with public notice requirements.

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

In general, the Board adopts policies, sets direction for curriculum, employs the Superintendent, and oversees the operations of the District and its schools. Besides general Board business, Trustees are charged with numerous statutory regulations including calling trustee and other school elections and canvassing the results, organizing the Board and electing its officers. The Board is also responsible for setting the tax rate, setting salary schedules, acting as a board of appeals in personnel and student matters, confirming recommendations for textbook adoptions and adopting and amending the annual budget.

The Board solicits and evaluates community input and support concerning actual policies.

Financial Structure and Basis of Accounting

Fund Accounting

The funds and accounts of the District have been established under the rules prescribed in the Financial Accounting and Reporting Module of the Texas Education Agency Financial Accountability System Resource Guide. This budget document contains detailed information for all funds for which the Board of Trustees is required to adopt annual budgets. Special Revenue funds (excluding Child Nutrition) are not included in this budget document except in summary form, but are included in the Comprehensive Annual Financial Report (CAFR). These funds are budgeted funds that are not required to be approved by the Board of Trustees. Budgets for all funds are prepared using the same method of accounting as for financial reports (modified accrual), except for the Capital Projects Fund budget, which is budgeted on a project basis. The Capital Projects Fund budget is not legally adopted on an annual basis. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon thereafter to pay any liabilities of the current period. There are no other variances between the accounting basis and the budgetary basis

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for principal and interest on general long-term debt, which is recognized when due. Following is a description of the funds for which annual budgets are adopted.

General Fund

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, interest on fund investments and other operating expenditures. Expenditures include all costs necessary for the daily operation of the schools.

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.

Child Nutrition – used to account for the District’s Child Nutrition Program, including local, state, and federal revenue sources and all costs associated with the operation of the program.

Debt Service Fund

The Debt Service Fund is used to account for the payment of interest and principal on all bonds of the District. The primary source of revenue for the debt service fund is local property taxes.

KELLER ISD 2015-2016 BUDGET

Federally Funded Grant Funds

The District possesses \$8,028,242 of additional financial resources. These resources are accounted for in special revenue funds specifically mandated by the state. Although these funds are budgeted, the budgets are not legally required to be adopted by the Board of Trustees.

However, the majority of the funds listed below are state or federal grants and are subject to a multitude of regulations and reporting requirements. These funds may be used to “supplement, but not supplant” the general fund budget. Therefore they are used in conjunction with general fund budgeted funds to enhance a particular program.

Budgeted funds used in operation but not included in the budget approved by the Board of Trustees are listed below.

		Projected
		2015-2016
		<hr/>
211	ESEA Title I, Part A Improving Basic Program	1,522,962
224	IDEA Part B Formula	3,184,908
225	IDEA Part B Preschool	44,723
244	Vocational Education Basic Grant	83,378
255	ESEA Title II, Part A Training and Recruitment	233,274
263	Title III, Part A English Language Acquisition	217,008
289	Federally Funded Special Revenue Programs	8,905
385	State Supplemental Visually Impaired	Not available
397	Advanced Placement Incentives	22,928
421	State Criminal Justice Planning	86,960
429	State Funded Special Revenue Funds	3,191
480	Miscellaneous Local Grants	2,620,005
		<hr/>
	Total	\$ 8,028,242

Federally Funded Grant Funds

Descriptions and Purpose

- 211 ESEA Title I, Part A Improving Basic Program
This fund classification is to be used to account, on a project basis, for funds allocated to local educational agencies to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children.
- 224 IDEA Part B Formula
This fund classification is to be used to account, on a project basis, for funds granted to operate educational programs for children with disabilities. This fund classification includes capacity building and improvement (sliver) subgrants.
- 225 IDEA Part B Preschool
This fund classification is to be used to account, on a project basis, for funds granted for preschool children with disabilities.
- 244 Vocational Education Basic Grant
This fund classification is to be used to account, on a project basis, funds to provide Career and Technical education to develop new and/or improve Career and Technical education programs for paid and unpaid employment.
- 255 ESEA Title II, Part A Training and Recruitment
This fund classification is to be used to provide financial assistance to LEAs to (1) increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools, and (2) hold local education agencies and schools accountable for improving student academic achievement.
- 263 Title III, Part A English Language Acquisition
This fund classification is to be used to account, on a project basis, for funds granted to improve the education of limited English proficient children, by assisting the children to learn English and meet challenging State academic content and student academic achievement standards.
- 289 Federally Funded Special Revenue Programs
This fund classification is to be used to account, on a project basis, for federally funded special revenue funds that have not been specified above.
- 385 State Supplemental Visually Impaired (SSVI)
This fund classification is to be used to account for State Supplemental Visually Impaired funds. This fund is to be used by single school districts, on a project basis, to account for any of these funds received from the ESC or district fiscal agent of shared services arrangement.
- 397 Advanced Placement Incentives
This fund classification is to be used to account, on a project basis, for funds awarded to school districts under the Texas Advanced Placement Award Incentive Program, Chapter 28, Subchapter C, TEC.
- 421 State Criminal Justice Planning
This fund classification is to be used to account, on a project basis, for funds for juvenile justice and delinquency prevention.
- 429 State Funded Special Revenue Funds
State funded special revenue funds not listed above are to be accounted for in this fund.
- 480 Miscellaneous Local Grants
This fund classification is used, at the option of the school district to classify locally funded special revenue funds, such as grants by corporations to specific campuses, not defined elsewhere.

FUNDING MATRIX

Below is a matrix depicting cross funding areas within the district and the uses of the different fund types.

Fiscal Year 2015-16							
Funding By Program	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Internal Service Fund	Child Nutrition Fund	Student Activity Fund
Instructional Programs							
Kindergarten Programs	X						
Primary Programs	X	X					
Elementary Programs	X	X					
High School Programs	X	X					
Vocational Programs	X	X					
Special Education Programs	X	X					
Preschool Special Education Programs	X	X					
Early Childhood Programs	X	X					
Gifted & Talented Programs	X						
Advanced Placement	X	X					
Homebound	X						
Primary Summer School	X						
Elementary Summer School	X						
Instructional Beyond Regular School Day	X	X					
Adult Education Programs	X	X					
Parenting Instruction		X					
Instructional Student Activity	X						X
Support Services							
Attendance & Social Work	X						
Guidance	X	X					
Health Services	X						
Psychological	X	X					
Improvement of Instruction	X	X					
Media Services	X						
Staff Development	X	X					
Board of Education	X						
Office of Superintendent	X						
School Administration	X						
Fiscal Services	X				X		
Facilities and Construction	X			X			
Maintenance & Operations	X			X			
Transportation	X	X					
Child Nutrition						X	
School Safety							
Staff Services	X						
Technology	X			X			
Supporting Student Activity	X						X
Health Insurance/Workers Compensation	X				X		
Total Community Services		X					
Total Debt Services	X		X				
Total Intergovernmental	X				X		

KELLER ISD 2015-2016 BUDGET

KELLER INDEPENDENT SCHOOL DISTRICT

Federally Funded Grant Funds

Five Year Summary Expenditures

	Audited 2010-2011	Audited 2011-2012	Audited 2012-2013	Audited 2013-2014	Projected Actual 2014-2015	Projected Budget * 2015-2016
211 ESEA, Title I, Part A - Improving Basic Program	948,724	1,001,214	1,595,030	1,685,041	1,878,688	1,522,962
224 IDEA Part B Formula	4,784,129	5,691,262	5,087,861	3,998,742	3,460,332	3,184,908
225 IDEA Part B Preschool	56,572	16,058	55,033	109,079	70,435	44,723
244 Vocational Education Basic Grant	144,138	137,491	215,469	157,440	311,586	83,378
255 ESEA Title II, Prt A Training and Recruitment	298,902	245,842	329,452	175,727	208,625	233,274
263 Title III, Prt A English Language Acquisition	199,125	185,784	234,634	224,327	218,529	217,008
289 Federally Funded Special Revenue Programs	10,176	10,457	10,038	10,018	9,959	8,905
385 State Supplemental Visually Impaired (SSVI)	24,072	24,013	22,980	22,800	20,691	-
397 Advanced Placement Incentives	64,838	42,309	19,218	9,970	23,398	22,928
421 State Criminal Justice Planning Grant	-	-	-	-	-	86,960
429 Other Special Revenue Funds	349	51,125	422	-	1,200	3,191
480 Miscellaneous Local Grants	86,710	151,646	119,245	70,262	22,115	2,620,005
	\$ 6,617,735	\$ 7,557,201	\$ 7,689,382	\$ 6,463,406	\$ 6,225,559	\$ 8,028,242

* Final award amounts will not be available until May 2016.

Projected budgeted expenditures for 2015-16 is \$8,028,242 or approximately 29% more than the 2014-15 projected actual; however, these funds may increase when final grant amounts are released. The majority of this increase is in the miscellaneous local grants fund. This fund is used to record special revenue funds such as grants by corporations to specific campuses.

Keller Independent School District

CLASSIFICATION OF REVENUE 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 to Generally Accepted Accounting Principles (GAAP) as applied to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide (FASRG). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. This section further requires that a report be provided at the time 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 Texas 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. In addition, KISD has incorporated two additional digits to the object code to define the subject (i.e., math, science, etc.). This allows for easy analysis of amounts expended for each subject.
- Sub-Object – Optional code. Used at KISD 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.

Expenditure 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, contracted services, supplies and materials, other operating expenditures, debt service, and capital outlay. Fund codes are described in the preceding Financial Structure section. Detail description of the function codes used throughout this document are located in the appendix section.

Keller Independent School District

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 safety, liquidity and yield. Specifically:

- Insure proper collateralization of deposits;
- Insure adequate balances to cover cash disbursement needs;
- Maximize interest earnings while, at the same time, maximizing safety and liquidity;
- Minimize bank charges.

These goals are accomplished by keeping bank balances as low as possible through transferring all available dollars into several investment pools authorized for use by the District (TexPool, Texas Class, Texas Term and Logic). Minimal balances in the depository bank are maintained in an interest bearing account overnight.

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

The District also utilizes the "positive pay" system that specifically identifies to the bank checks issued by amount, check number and date. This system deters counterfeit checks being drawn on funds from District accounts.

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 (and amended by the legislature in 1997). 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, bankers acceptances and public funds investment pools as permitted by Chapter 2256, Texas Government Code.

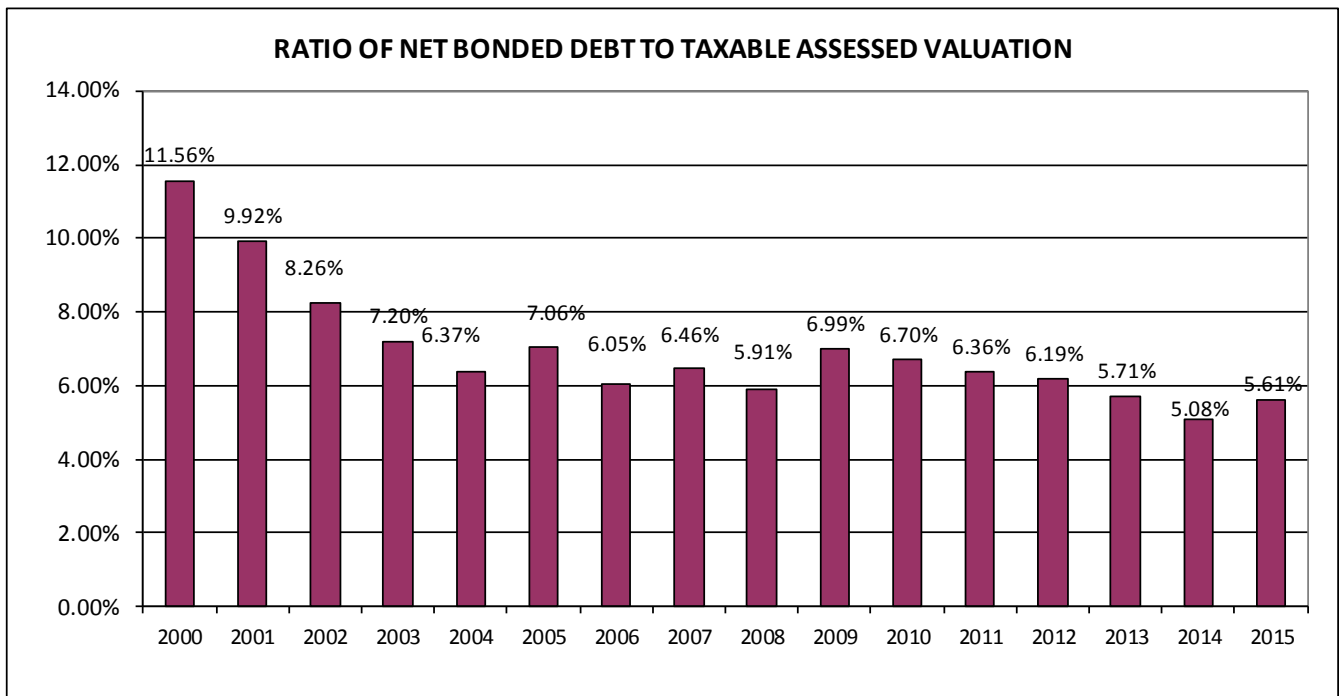
The main goal of the investment program is to ensure its safety, as well as to maximize financial returns within current market conditions in accordance with the District's investment policy. Assets of the District shall be invested in instruments whose maturities do not exceed five years from the time of purchase. The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss.

A monthly investment report is prepared in accordance with the Public Funds Investment Act and submitted to the Board. The District's auditors perform a compliance audit of management controls on investments and adherence to the investment policy as well as a review of the monthly reports sent to the board. All individual investments are agreed to by the Investment Committee comprised of the Superintendent, the Chief Financial Officer and the Director of Finance.

Debt Administration

Debt Service is a major area of cost due to the District’s building program, which is primarily financed by the sale of general obligation bonds. The graph below depicts that as of August 31, 2015, the ratio of net bonded debt to Assessed Value for the District is anticipated to be 5.61%. Under state law, there is no explicit bonded indebtedness limitation, although a tax rate test effectively imposes a limit on the incurrence of debt. Chapter 45 of the Texas Education Code, as amended, requires a district to demonstrate to the Texas Attorney General that it has the prospective ability to pay debt service on a proposed issue of bonds, together with debt service on other outstanding “new debt” of the district, from a tax levied at a rate of \$0.50 per \$100 of assessed valuation before bonds may be issued. In demonstrating the ability to pay debt service at a rate of \$0.50, a district may take into account State allotments which effectively reduce the district’s local share of debt service. Once the prospective ability to pay such tax has been shown and the bonds are issued, a district may levy an unlimited tax to pay debt service. Prior law limited debt to 10% of assessed value, and the District is below that level. All principal and interest payments are due February 15th and August 15th of each year. On February 1st of each year, outstanding taxes become delinquent, which permits the collection of a large majority of taxes levied before the long term debt payments are due.

RATIO OF NET BONDED DEBT TO TAXABLE ASSESSED VALUATION



The District’s bonds presently carry a favorable rating of Aaa with Moody’s Investor Service and AAA with Standard and Poor’s based upon the Permanent School Fund Guarantee or insurance. The district’s current underlying ratings are Aa2 by Moody’s Investor Service and AA by Standard and Poor’s.

Fund Balance Levels

Fund balance is the excess of assets over liabilities in a governmental fund. The District understands the importance of maintaining an adequate fund balance and usually strives to develop a balanced budget in each fiscal year.

KISD defines a balanced budget as one in which anticipated revenues equal or exceed anticipated expenditures thus creating no need to utilize the District's "savings account", or fund balance.

The Keller ISD's general fund balance at 8/31/15 was \$66.6 million. Each year, the district commits a portion of fund balance equal to 20% of the budgeted expenditures of the subsequent year for budgetary contingencies. For 2014-15, the amount committed was \$51.5 million. Therefore, the district had excess fund balance of approximately \$15 million. In 2013-14, the excess was \$26 million and was \$33 million in 2012-13.

As is plainly shown above, the district began a deliberate and managed "spend-down" of fund balance three years ago. Besides managing the excess fund balance, this allowed the district to begin to address the extensive requirements of House Bill 5, to provide pay increases to staff which were long overdue, assist with the funding of KISD's self-funded health insurance and open a Wellness Clinic.

For 2015-16 the Board adopted a general fund budget with a deficit of (\$9,047,586).

In accordance with Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the district now classifies governmental fund balances as follows:

1. Non-spendable Fund Balance – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. Examples include inventories, long-term receivables, endowment principal, and prepaid items. Non-spendable fund balance currently consists of inventory and prepaid items.
2. Spendable Fund Balance
 - a. Restricted Fund Balance – includes amounts that can be spent only for the specific purposes as imposed by law, or imposed by creditors, grantors, contributors, or other governments' laws and regulations. Examples include federal and state grant programs, retirement of long-term debt, and construction. The district's financial statements currently reflect restrictions for retirement of long-term debt, the capital acquisition program, food services and grant funds.
 - b. Committed Fund Balance—Includes amounts that can be used only for the specific purposes as determined by the governing body by formal action recorded in the minutes of the governing body. Examples include, but are not specifically limited to, Board action regarding construction, claims and judgments, retirement of loans/notes payable, capital expenditures and self-insurance. As described above, the district has committed \$51.5 million for budget contingencies.
 - c. Assigned Fund Balance – includes amounts intended to be used by the district for specific purposes. The governing body may delegate the authority to assign fund balance to a district official or body. At 8/31/15, the district reported fund balance assigned for other purposes of \$4 million.
 - d. Unassigned Fund Balance – is the residual classification of the General Fund and includes all amounts not contained in other classification. Only the general fund will have unassigned amounts. The current amount of unassigned fund balance in the general fund is \$9.6 million.

An analysis of changes in fund balance for the general fund appears on the next page.

KELLER ISD 2015-2016 BUDGET

**GENERAL FUND HISTORICAL REVENUE, EXPENDITURE AND
FUND BALANCE LEVEL CHANGES**

	Audited 2011-2012	Audited 2012-2013	Change Amount	Percent of Change
Revenues				
Local Revenues	\$ 122,477,457	\$ 121,132,398	\$ (1,345,059)	-1.10%
State Revenues	94,683,993	90,958,923	(3,725,070)	-3.93%
Federal Revenues	346,711	598,641	251,930	72.66%
Total Revenues	217,508,161	212,689,962	(4,818,199)	-2.22%
Expenditures				
Instruction	124,322,850	137,181,022	12,858,172	10.34%
Media Services (Library)	2,042,530	3,003,067	960,537	47.03%
Curriculum and Staff Development	1,744,637	1,827,345	82,708	4.74%
Instructional Leadership	1,749,503	1,970,633	221,130	12.64%
School Leadership	12,474,734	13,603,614	1,128,880	9.05%
Guidance, Counseling and Evaluation	7,365,218	7,488,510	123,292	1.67%
Social Work Services	155,656	202,973	47,317	30.40%
Health Services	2,282,194	2,659,587	377,393	16.54%
Student Transportation	5,327,277	5,685,113	357,836	6.72%
Food Services	-	-	-	0.00%
Co/Extracurricular Activities	5,853,416	6,877,682	1,024,266	17.50%
General Administration	5,019,367	5,332,388	313,021	6.24%
Facility Maintenance and Operations	17,671,549	19,154,666	1,483,117	8.39%
Security and Monitoring Services	1,046,033	1,573,179	527,146	50.39%
Data Processing Services	4,588,417	4,348,035	(240,382)	-5.24%
Community Services	562,344	660,173	97,829	17.40%
Facility Acquisition and Construction	1,316,799	1,015,164	(301,635)	-22.91%
Shared Services Arrangements	3,410,020	2,793,151	(616,869)	-18.09%
Juvenile Justice Alternative Education	2,375	-	(2,375)	0.00%
Tax Increment Fund (TIF)	1,732,427	1,973,187	240,760	13.90%
Intergovernmental Charges	-	-	-	0.00%
Total Expenditures	198,667,346	217,349,489	18,682,143	9.40%
Excess (Deficiencies) Revenues over Expenditures				
	18,840,815	(4,659,527)	(23,500,342)	-124.73%
Other Resources	-	-	-	0.00%
Other Uses	-	-	-	0.00%
Total Other Financial Resources (Uses)	-	-	-	0.00%
Excess (Deficiencies) of Revenue and Other Financial Resources Over Expenditures and Other Financial Uses				
	18,840,815	(4,659,527)	(23,500,342)	-124.73%
Fund Balance, beginning, 9/1	64,139,134	82,979,949	18,840,815	29.37%
Fund Balance, ending, 8/31	\$ 82,979,949	\$ 78,320,422	\$ (4,659,527)	-5.62%

KELLER ISD 2015-2016 BUDGET

Audited 2013-2014	Change Amount	Percent of Change	Projected Actual 2014-2015	Change Amount	Percent of Change	Adopted Budget 2015-2016	Change Amount	Percent of Change
\$ 126,533,645	\$ 5,401,247	4.46%	\$ 135,939,321	\$ 9,405,676	7.43%	\$ 146,654,935	\$ 10,715,614	7.88%
105,325,844	14,366,921	15.79%	106,842,417	1,516,573	1.44%	96,942,490	(9,899,927)	-9.27%
1,980,757	1,382,116	230.88%	3,222,267	1,241,510	62.68%	3,125,000	(97,267)	-3.02%
233,840,246	21,150,284	9.94%	246,004,005	12,163,759	5.20%	246,722,425	718,420	0.29%
147,117,681	9,936,659	7.24%	159,010,945	11,893,264	8.08%	160,492,622	1,481,677	0.93%
3,240,690	237,623	7.91%	3,402,039	161,349	4.98%	3,398,135	(3,904)	-0.11%
2,746,903	919,558	50.32%	3,918,155	1,171,252	42.64%	4,041,615	123,460	3.15%
2,290,194	319,561	16.22%	2,682,952	392,758	17.15%	2,933,090	250,138	9.32%
15,100,413	1,496,799	11.00%	15,681,001	580,588	3.84%	15,942,718	261,717	1.67%
8,456,356	967,846	12.92%	10,082,753	1,626,397	19.23%	9,874,346	(208,407)	-2.07%
148,189	(54,784)	-26.99%	182,849	34,660	23.39%	179,983	(2,866)	-1.57%
2,712,241	52,654	1.98%	2,937,578	225,337	8.31%	3,157,091	219,513	7.47%
6,807,163	1,122,050	19.74%	6,653,341	(153,822)	-2.26%	7,231,723	578,382	8.69%
3,196	3,196	0.00%	2,665	(531)	0.00%	7,000	4,335	162.66%
8,435,536	1,557,854	22.65%	8,615,806	180,270	2.14%	7,289,887	(1,325,919)	-15.39%
5,044,001	(288,387)	-5.41%	6,242,307	1,198,306	23.76%	6,737,064	494,757	7.93%
19,946,311	791,645	4.13%	21,810,988	1,864,677	9.35%	25,063,834	3,252,846	14.91%
1,835,280	262,101	16.66%	1,928,019	92,739	5.05%	2,158,387	230,368	11.95%
4,608,219	260,184	5.98%	4,958,590	350,371	7.60%	4,810,421	(148,169)	-2.99%
596,203	(63,970)	-9.69%	1,316,441	720,238	120.80%	518,177	(798,264)	-60.64%
102,441	(912,723)	-89.91%	43,188	(59,253)	-57.84%	99,000	55,812	129.23%
3,425,122	631,971	22.63%	2,880,212	(544,910)	-15.91%	-	(2,880,212)	-100.00%
-	-	100.00%	9,804	9,804	100.00%	2,300	(7,504)	100.00%
2,055,966	82,779	4.20%	2,294,948	238,982	11.62%	2,623,317	328,369	14.31%
1,068,490	1,068,490	0.00%	1,153,257	84,767	0.00%	1,209,301	56,044	4.86%
235,740,595	18,391,106	8.46%	255,807,838	20,067,243	8.51%	257,770,011	1,962,173	0.77%
(1,900,349)	2,759,178	-59.22%	(9,803,833)	(7,903,484)	415.90%	(11,047,586)	(1,243,753)	12.69%
-	-	0.00%	-	-	0.00%	2,000,000	2,000,000	0.00%
-	-	-	-	-	-	-	-	-
-	-	0.00%	-	-	0.00%	2,000,000	2,000,000	0.00%
(1,900,349)	2,759,178	-59.22%	(9,803,833)	(7,903,484)	415.90%	(9,047,586)	756,247	-7.71%
78,320,422	(4,659,527)	-5.62%	76,420,073	(1,900,349)	-2.43%	66,616,240	(9,803,833)	-12.83%
\$ 76,420,073	\$ (1,900,349)	-2.43%	\$ 66,616,240	\$ (9,803,833)	-12.83%	\$ 57,568,654	\$ (9,047,586)	-13.58%

**CHILD NUTRITION FUND HISTORICAL REVENUE, EXPENDITURE
AND FUND BALANCE CHANGES**

	Audited 2011-2012	Audited 2012-2013	Change Amount	Percent of change
Revenues				
Local sources	\$ 7,715,387	\$ 7,461,105	\$ (254,282)	-3.30%
State sources	320,154	334,015	\$ 13,861	4.33%
Federal sources	4,417,830	4,794,878	\$ 377,048	8.53%
Total Revenues	12,453,371	12,589,998	136,627	1.10%
Expenditures				
Food Services	11,502,531	12,180,513	677,982	5.89%
Facility Acquisition and Construction	-	483,422	483,422	100.00%
Total Expenditures	11,502,531	12,663,935	1,161,404	10.10%
Fund Balance beginning, 9/1	3,813,324	4,764,164	950,840	24.93%
Fund Balance ending, 8/31	\$ 4,764,164	\$ 4,690,227	\$ (73,937)	-1.55%

The fund balance for Child Nutrition should not exceed three months of average Child Nutrition operations expenditures. Average monthly Child Nutrition expenditures are calculated by dividing the subsequent years budgeted expenditures by ten months since the Child Nutrition department only operates for ten months out of the year. The 2014-15 projected fund balance for the Child Nutrition fund is approximately \$2.6 million. Three months of average Child Nutrition expenditures would be \$ 3.6 million, based on 2015-16 budgeted expenditures.

KELLER ISD 2015-2016 BUDGET

Audited 2013-2014	Change Amount	Percent of change	Projected			Adopted		
			Actual 2014-2015	Change Amount	Percent of change	Budget 2015-2016	Change Amount	Percent of change
\$ 7,281,195	\$ (179,910)	-2.41%	\$ 7,288,110	\$ 6,915	0.09%	\$ 7,652,087	\$ 363,977	4.99%
375,242	41,227	12.34%	344,988	(30,254)	-8.06%	71,413	(273,575)	-79.30%
4,993,755	198,877	4.15%	5,179,152	185,397	3.71%	5,310,607	131,455	2.54%
12,650,192	60,194	0.48%	12,812,250	162,058	1.28%	13,034,107	221,857	1.73%
12,895,997	715,484	5.87%	13,746,203	850,206	6.59%	12,184,107	(1,562,096)	-11.36%
901,075	417,653	86.40%	-	(901,075)	-100.00%	-	-	0.00%
13,797,072	1,133,137	8.95%	13,746,203	(50,869)	-0.37%	12,184,107	(1,562,096)	-11.36%
4,690,227	(73,937)	-1.55%	3,543,347	(1,146,880)	-24.45%	2,609,394	(933,953)	-26.36%
\$ 3,543,347	\$ (1,146,880)	-24.45%	\$ 2,609,394	\$ (933,953)	-26.36%	\$ 3,459,394	\$ 850,000	32.57%

**DEBT SERVICE FUND HISTORICAL REVENUE, EXPENDITURE
AND FUND BALANCE LEVEL CHANGES**

	Audited 2011-12	Audited 2012-13	Change Amount	Percent of Change
Revenue				
Local Sources	\$ 55,909,665	\$ 56,582,160	\$ 672,495	1.20%
State Sources	1,052,689	384,652	(668,037)	-63.46%
Total Revenues	56,962,354	56,966,812	4,458	0.01%
Expenditures				
Debt Service	56,974,733	58,408,156	1,433,423	2.52%
Total Expenditures	56,974,733	58,408,156	1,433,423	2.52%
Other Financing Resources (Uses)				
Other Resources	2,910,974	100,689,802	97,778,828	3358.97%
Other Uses	(2,825,750)	(99,734,652)	(96,908,902)	3429.49%
Total Other Financing Resources (Uses)	85,224	955,150	869,926	1020.75%
Beginning Fund Balance, 9/1	3,820,031	3,892,876	72,845	1.91%
Ending Fund Balance, 8/31	\$ 3,892,876	\$ 3,406,682	\$ (486,194)	-12.49%

The District strives to maintain a Debt Service Fund balance of 10% of Debt Service Fund expenditures. The 2014-15 projected fund balance for the Debt Service fund is \$5.1 million, or 8.07% of 2015-16 Debt Service Fund expenditures.

KELLER ISD 2015-2016 BUDGET

Audited 2013-14	Change Amount	Percent of Change	Projected Actual 2014-15	Change Amount	Percent of Change	Adopted Budget 2015-16	Change Amount	Percent of Change
\$ 59,557,384	\$ 2,975,224	5.26%	\$ 64,083,502	\$ 4,526,118	7.60%	\$ 68,497,805	\$ 4,414,303	6.89%
175,493	(209,159)	-54.38%	117,988	(57,505)	-32.77%	-	(117,988)	-100.00%
59,732,877	2,766,065	4.86%	64,201,490	4,468,613	7.48%	68,497,805	4,296,315	6.69%
59,297,515	889,359	1.52%	69,833,347	10,535,832	17.77%	64,304,425	(5,528,922)	-7.92%
59,297,515	889,359	1.52%	69,833,347	10,535,832	17.77%	64,304,425	(5,528,922)	-7.92%
49,295,068	(51,394,734)	-51.04%	324,970,718	275,675,650	559.24%	-	(324,970,718)	-100.00%
(49,070,797)	50,663,855	-50.80%	(318,213,030)	(269,142,233)	548.48%	-	318,213,030	-100.00%
224,271	(730,879)	-76.52%	6,757,688	6,533,417	2913.18%	-	(6,757,688)	-100.00%
3,406,682	(486,194)	-12.49%	4,066,315	659,633	19.36%	5,192,146	1,125,831	27.69%
\$ 4,066,315	\$ 659,633	19.36%	\$ 5,192,146	\$ 1,125,831	27.69%	\$ 9,385,526	\$ 4,193,380	80.76%

Capital Assets

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of at least one year. However, all land and land improvements are capitalized regardless of the amount. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are completed. Interest cost related to acquisition of fixed assets is not capitalized.

Risk Management

Keller Independent School District provides insurance related services to district employees and students on over 43 campuses and administrative sites. Areas of responsibility include occupational safety, loss control, risk assessment, insurance management (property/casualty, automotive, workers' compensation and professional liability), and unemployment compensation.

The district's automotive and property insurance coverage protects 111 vehicles and 42 trailers, and 23 district owned portable buildings, as well as all permanent campus structures and facilities. Property is insured up to a maximum loss amount of approximately \$893 million.

Employee Benefits

Keller Independent School District provides employee benefit services to district employees on over 43 campuses and administrative sites. Areas of responsibility include cafeteria plan administration, COBRA/HIPPA compliance, and payroll deduction services for 403(b) and 457 (b) plans. Both tax deferred plans are administered by third party administrators to ensure compliance with IRS and state regulations. Employee monthly contributions are approximately \$333,640 for the 403(b) plan and \$17,150 for the 457(b) plan.

KISD provides core benefits and the right to purchase optional benefits to all employees through the KISD Cafeteria Plan governed by Section 125 of the IRS Code. The district provides \$275 per month for employees who are contributing members to the Teacher Retirement System of the State of Texas to offset optional health plan costs. Contributions of \$240 per year are available for full-time employees not purchasing a KISD sponsored health plan. Both the district's health insurance and workers' compensation program are self-funded.

Bank Depository

The district is required to execute a depository agreement with a local banking institution for a period of two years. Competitive bidding is mandated and state law sets general terms. The current contract with a new depository was signed on July 23, 2015 to cover the period from September 2015 through August 2017. The district will be required to go out for bid for the agreement that begins September 1, 2021.

Banking fees for the 2015-16 fiscal year are projected to be higher than the previous year due to the change in depository. However, due to an Earnings Credit Rate currently higher than the investment pools, the district plans to offset the fees by maintaining a higher compensating balance.

The district's primary investment pools, Texas CLASS, LOGIC, and TexPool, totaled \$196,374,329, and earned averages of 0.1755%, 0.1354%, and 0.1398% respectively in the month of August 2015.

The investment portfolio also includes Agency and Treasury securities with a Market Value totaling \$58,649,639 at August 31, 2015, with average coupon rate of 0.71% for Agencies and 0.40% for Treasuries.

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, the Annual Financial Report is prepared and submitted to the Board of Trustees for approval. The Annual Financial Report is designed to meet the specific monitoring needs of the Texas Education Agency. Thus, a Comprehensive Annual Financial Report, conforming to the standards of both the Association of School Business Officials (ASBO) international and the Government Finance Officers Association (GFOA), is also prepared to better serve the needs of taxpayers and other financial statement users. The district was awarded the Certificate of Achievement for Excellence in Financial Reporting by GFOA and the Certificate of Excellence in Financial Reporting by ASBO for each fiscal year since 2006-2007.

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 Texas school districts. The following items summarize the legal requirement 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, currently August 31.
- 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 supplementary emergency budgets to cover unforeseen expenditures.
- The budget must be prepared in accordance with GAAP (Generally Accepted Accounting Principles) and state guidelines. The budget is prepared on a modified accrual basis, which is the same basis of accounting used in the district's audited financial statements.
- The budget must be legally adopted before the adoption of the tax rate, with certain exceptions.

The Texas Education Agency (TEA) requires that budgets for the General Fund, Child Nutrition Fund and the Debt Service Fund be included in the official district budget. 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. A school district must amend the official budget before exceeding a functional expenditure category in the total district budget.

Budget Development Process

With the guidance of the Board of Trustees, principals and administrators of the District, under the direction of the Chief Financial Officer and the Superintendent, develop the budget. All expenditure allocations are determined based on projected revenue from state and local sources with the goals of maintaining an appropriate fund balance, considering the tax burden of our taxpayers, while still meeting the District's educational goals.

The Finance department prepares revenue projections for all funds. These projections are based on enrollment projections, estimates of local tax revenue, state funding formulas, and other significant factors. The funding formulas are extremely complex. This complexity is compounded by changes that the legislature regularly makes when they meet every other year to consider revisions to the state funding formula and other issues.

Salaries and benefits comprise 81.9% of the 2015-16 annual General Fund operating budget. Therefore, the Board of Trustees gives careful consideration to staffing allocations for both instructional and non-instructional positions. Additional personnel units are evaluated by the Superintendent and his executive staff each year and, after extensive review and analysis, recommendations are presented to the Board of Trustees.

Personnel units are allocated to each campus based on projected student enrollment following state mandated ratios, as applicable. Additional staff may be allocated to a school based upon student demographics or special programs. The budget amounts are then developed for vacant positions based on the average cost of employees currently filling each position. Supplemental pay (stipends for coaches, department heads, etc.) is approved on a year-to-year basis and does not become part of the base salary of an employee. A salary supplement may be increased, decreased, or eliminated if the Board of Trustees determines this to be in the best interest of the District.

To decentralize the budget process for non-payroll related budget items, the District uses site-based decision making, where each campus principal and his/her staff, determine how to use allocated monies. Each campus receives a basic allotment per student which is to be used for supplies, materials, equipment, staff development, and other appropriate instructional costs. Campuses also receive a separate allotment which is to be used for library books.

Beginning with the 2013-14 budget, the district implemented a modified form of Zero Based Budgeting. At least one administrative function and several campuses start at zero and prepare a budget based on their Campus or Departmental Improvement Plan, the district's long-term and strategic plans, upcoming initiatives, and actual needs. Within a five-year cycle, all campuses and departments would have prepared a Zero Based Budget once. The Facilities and Business Operations function participated in the process for the 2015-16 year. In addition, Florence Elementary, Parkglenn Elementary, Willis Lane Elementary, Hidden Lakes Elementary, Bluebonnet Elementary, Freedom Elementary, Bette Perot Elementary, Woodland Springs Elementary, Friendship Elementary, Ridgeview Elementary and the Early Learning Center prepared Zero Based budgets for the 2015-16 year.

Budgets for non-campus (departmental) units, including Child Nutrition, are developed by the central administrators. Each administrator is given an allocation based on the previous year's allocation plus any special allotments for recurring items which were approved in the previous year. The administrators must ensure that their budgets do not exceed the allocation amount. Any supplemental requests over and above their base allocation must be submitted in writing to the CFO. The Superintendent and his executive team review these requests and determine if any will be recommended to the Board for approval. If approved by the Board, these supplemental requests will be added to the departmental budget.

The Director of Finance develops the Debt Service Fund budget. This budget is constructed based primarily on tax base assumptions (for local revenue projections) and projected debt retirement requirements.

Following the development process, consolidated budgetary information is presented to the Board of Trustees in workshops and regular meetings. This information is summarized in a variety of different presentations and line item detail is provided, as requested.

The District solicits public input by advertising a public hearing in the newspaper. The proposed budget is available to the public prior to the public hearing. The Board may recommend potential budget adjustments after considering the public's comments and/ or recommendations.

Significant dates and events included in the budget development process are summarized on the budget calendar on the following pages of this document.

Capital Project Funds Budget Policies

Capital Projects Funds are used to account for the proceeds of General Obligation bonds and related interest earnings and the expenditures of these funds for the construction and equipping of school facilities, to purchase school sites, and renovations or repair of existing facilities. The Board of Trustees does not formally adopt the Capital Projects Funds budgets annually.

These budgets are prepared on a project basis, based on the proceeds available from bond issues and planned expenditures outlined in applicable bond ordinances. Each major construction contract is approved based on the existing availability of bond proceeds and/or approved but unissued bonds. However, the impact of the Capital Projects Funds budgets must be considered during the development of the annual budgets for all other funds. Future operating costs (staffing, utilities, etc.) associated with capital improvements and new facilities must be projected and included in the General Fund budget. Repayment of bonds issued for capital projects must be included in Debt Service Fund projections.

Additionally, certain capital outlay expenditures (such as high cost/unit furniture and equipment) may be budgeted both in the General Fund and the Capital Projects Funds.

No new campuses or facilities were constructed in 2014-15 requiring on-going general funds for operation or maintenance in 2015-16.

**KELLER ISD
2015-2016 Budget Calendar**

- March – Revise and update Budget Chart of Accounts.
- March 20 – Approved Staffing Projections from HR.
- March 23 – Create 2015-16 HR Position Control.
- March 31 – Work calendars received from HR.
- April 1 – Initialization of Budget Prep (after this date all new codes must be set up in both Fund Accounting and Budget Prep).
- April 10 – Establish campus and department allotments.
- April 15 – Meet with ZBB participants.
- April 21 – Salary/Min-Mid-Max schedules from HR.
- April 21 – Determination of any salary increases and step increases by HR/Finance. (Teacher salary schedule only).
- April 21 – Complete initial reconciliation of Finance PC to HR PC. Ongoing.
- April 24 – Complete ZBB tools for selected campuses and departments.
- April 24 – List of federally funded positions from HR/Learning.
- April 28 – Receive Certified estimated property values from the Tarrant County Appraisal District.
- April 28 – Completion date of data entry by Finance of all budgets. Send to non-ZBB campuses and departments for review and any revisions.
- May 1– Initialization of Personnel Budgeting and baseline projections.
- May 1 – HR Position Control updated for all staffing projections (allocation additions and deletions).
- May 1 – Reorganization changes and /or any market adjustments from HR.

**KELLER ISD
2015-2016 Budget Calendar (continued)**

- May 1 – New salary schedules from Payroll.
- May 1 – Any changes in substitute or extra duty rates from HR (subject to Board Approval).
- May 1 – All new stipends to be budgeted received from HR (subject to Board Approval).
- May 13– Initial calculation of salary and benefits.
- May 13 – Campuses and departments (except ZBB) return to Finance all requested changes to their budgets.
- May 13– All manual payroll projections completed by Finance (TRS Stat Min, subs, stipends, longevity, etc).
- May 22 – ZBB budgets returned to Finance.
- May 28 – Budget Workshop – Board of Trustees.
- May 29 – May preliminary valuations given by Tarrant County Appraisal District
- May 29 – All requested changes to budgets completed by Finance.
- June 1 – New benefit rates from HR.
- June 5 - Preliminary total budget projections.
- June 23 – Budget Workshop – Board of Trustees.
- June 25 – Receive June preliminary valuations given by Tarrant County Appraisal Districts.
- June 25 – Recalculate effects of updated property values.
- **June 30 – All Personnel Budgeting must be finalized prior to Payroll new year rollover. Any additional items after this date will need to be manually calculated.**
- July 25 – Receive certified appraisal roll from Tarrant County Appraisal District for final calculation of revenue.

KELLER ISD
2015-2016 Budget Calendar (continued)

- August 13 – “NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE” published in paper.
- August 13 – Budget Workshop – Board of Trustees.
- August 27 – Regular or Special Called Board Meeting to Adopt Budget – public meeting on budget and proposed tax rate. School Board may adopt budget and tax rate after the public meeting. Or, the board may adopt the budget and wait to adopt the tax rate. Budget must be adopted by August 31.

Dates are subject to change.

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 properly and legally used for the intended purposes.

Expenditure Control and Approvals

Expenditure appropriations are allocated between 96 organizations or cost centers (campuses, departments, etc.). The principal or department head (administrator) is accountable for their organization's portion of the General Fund budgets. Each administrator is authorized to approve the expenditure of funds within his/her organization, provided that funds are expended in accordance with District purchasing procedures and legal requirements, and with the adopted budget for that year.

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

Purchase Orders

The Board of Trustees approves all bid awards and contracts in excess of \$50,000 per year. Purchase orders (P.O.s) are prepared for all goods and services, except for those items listed below. Once a purchase request is entered and approved at the campus/department level, the requisition is forwarded to the Purchasing department for verification of proper vendor and compliance with legal purchasing procedures. The requisition is then forwarded to the Finance department for verification of proper account code, availability of funds and compliance with various administrative regulations. Additional levels of approval are required for grant funds and technology purchases. The District's financial software automatically forwards the requisition through all levels of approval. If the request is approved at all levels, the funds are encumbered and a purchase order is printed and mailed/faxed to the appropriate vendor. Encumbrances are reservations of appropriations for goods/services that have not been received. The purpose of an encumbrance is to ensure that obligations are recognized as soon as financial commitments are made to prevent the budget from being inadvertently exceeded due to lack of information about future commitments.

After the goods or services are physically received, the recipient forwards confirmation of receipt to the Accounts Payable department. The record of receipt and the vendor invoice are then matched to the purchase order. When all three have been received, payment is made. The encumbrance is liquidated at the time of payment.

Check Requisitions

Check requisitions are used for entry fees, registration fees, advances for student travel, refunds and payment for athletic and/or extracurricular officials, judges, etc. Travel reimbursement forms are used to reimburse travel expenses. Check requisitions and travel reimbursement forms, along with the appropriate supporting documents, are forwarded to the Finance department for review, approval and payment. Funds are not encumbered with check requisitions because payment occurs immediately and are not subject to the receipt of goods.

Amending the Budget

The budget is legally adopted at the fund and function level. All budget amendments between functions must be approved by the Board of Trustees *prior to* expenditure of funds. An example of such would be a transfer from one functional category (e.g. Library) to another functional category (e.g. Instruction). In addition, budget changes that would increase/decrease the overall fund are taken to the Board of Trustees for their approval prior to any expenditure of funds. All other (non-functional) adjustments are approved by the Finance department.

Monitoring the Budget

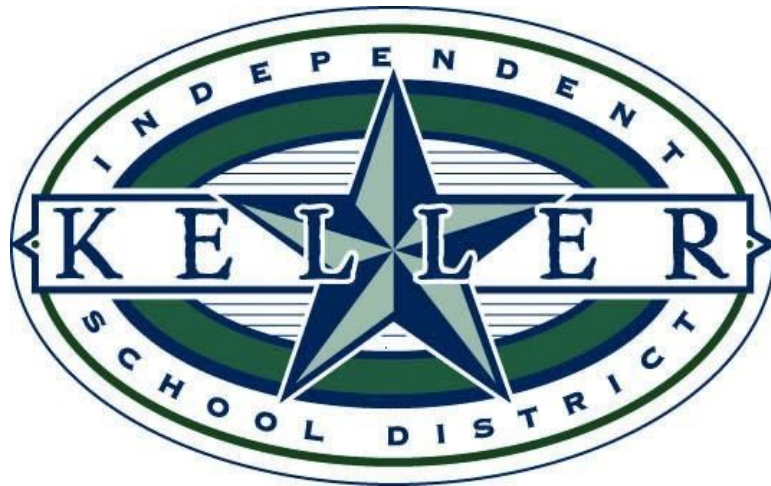
The District's interactive, on-line budgetary accounting and control system provides many useful reports to assist Board members, district staff and the Finance department in administering, monitoring and controlling the budget. This system provides many checks and balances to ensure that funds are not 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 nor checks written.

The Finance staff carefully monitors comparisons between budget and actual expenditures to maintain cost control and to guard against overspending for all budgeted accounts.

Relevant financial reports are posted to the District's website on a monthly or quarterly basis. These reports include property tax, investments, general fund financial position and check registers. 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 the TEA via the Public Education Information Management System (PEIMS) transmission process as of the date established in the annual instructions for the system. The 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 schedule comparing budget and actual results in the Annual Financial and Compliance Report. The requirement for filing the amended budget with the TEA is formally met when the district submits its Annual Financial and Compliance Report.



KELLER ISD
Intentionally  Exceptional

Financial Plan



KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
COMBINED BUDGET SUMMARY-REVENUES
2015-2016**

GENERAL FUND, DEBT SERVICE FUND, AND CHILD NUTRITION FUND

Local Revenues	General Fund	Debt Service	Child Nutrition	Memo Total
5711 Current Taxes	\$ 139,812,118	\$ 67,997,805	\$ -	\$ 207,809,923
5719 Delinquent Taxes and Penalties/Interest	1,435,000	475,000	-	1,910,000
5739 Tuition and Fees	132,500	-	-	132,500
5742 Investment Earnings	325,000	25,000	5,000	355,000
5743 Facility Rental	622,000	-	-	622,000
5749 Other Revenue from Local Sources	3,806,817	-	-	3,806,817
5751 Cafeteria Sales	-	-	7,647,087	7,647,087
5752 Athletic Activities	521,500	-	-	521,500
Total Local Revenues	146,654,935	68,497,805	7,652,087	222,804,827
State Revenues				
5811 Per Capita Apportionment	9,092,576	-	-	9,092,576
5812 Foundation School Fund	87,849,914	-	-	87,849,914
5829 TEA State Matching Funds	-	-	71,413	71,413
Total State Revenues	96,942,490	-	71,413	97,013,903
Federal Revenues				
5921 Breakfast Sales	-	-	658,608	658,608
5922 Lunch Sales	-	-	3,890,236	3,890,236
5923 Value of Donated Commodities	-	-	761,763	761,763
5929 Federal Revenue Distributed by TEA	225,000	-	-	225,000
5932 Federal Revenue Distributed by Other Agencies	2,900,000	-	-	2,900,000
Total	0 3,125,000	-	5,310,607	8,435,607
Total Revenues	\$ 246,722,425	\$ 68,497,805	\$ 13,034,107	\$ 328,254,337

KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
COMBINED BUDGET SUMMARY-EXPENDITURES
2015-2016**

GENERAL FUND, DEBT SERVICE FUND, AND CHILD NUTRITION FUND

Expenditures	General Fund	Debt Service	Child Nutrition	Memo Total
11 Instruction	\$ 160,492,622	\$ -	\$ -	\$ 160,492,622
12 Media Services (Library)	3,398,135	-	-	3,398,135
13 Curriculum and Staff Development	4,041,615	-	-	4,041,615
21 Instructional Leadership	2,933,090	-	-	2,933,090
23 School Leadership	15,942,718	-	-	15,942,718
31 Guidance, Counseling and Evaluation	9,874,346	-	-	9,874,346
32 Social Work Services	179,983	-	-	179,983
33 Health Services	3,157,091	-	-	3,157,091
34 Student Transportation	7,231,723	-	-	7,231,723
35 Food Services	7,000	-	12,184,107	12,191,107
36 Co/Extracurricular Activities	7,289,887	-	-	7,289,887
41 General Administration	6,737,064	-	-	6,737,064
51 Facility Maintenance and Operations	25,063,834	-	-	25,063,834
52 Security and Monitoring Services	2,158,387	-	-	2,158,387
53 Data Processing Services	4,810,421	-	-	4,810,421
61 Community Services	518,177	-	-	518,177
71 Debt Service	-	64,304,425	-	64,304,425
81 Facility Acquisition and Construction	99,000	-	-	99,000
93 Shared Services Arrangements	-	-	-	-
95 Juvenile Justice Alternative Education Programs	2,300	-	-	2,300
97 Tax Increment Fund (TIF)	2,623,317	-	-	2,623,317
99 Intergovernmental Charges	1,209,301	-	-	1,209,301
Total Expenditures	257,770,011	64,304,425	12,184,107	334,258,543
Other Financial Resources (Uses)				
Other Resources	2,000,000	-	-	2,000,000
Other Uses	-	-	-	-
Total Other Financing Resources (Uses)	2,000,000	-	-	2,000,000
Excess (Deficiency) of Revenues and Financial Resources Over (Under) Expenditures and Other Financial Uses	(9,047,586)	4,193,380	850,000	(4,004,206)
Fund Balance (Deficit), 08/31/15 - Projected	66,616,240	5,192,146	2,609,394	74,417,780
Fund Balance (Deficit), 08/31/16 - budgeted	\$ 57,568,654	\$ 9,385,526	\$ 3,459,394	\$ 70,413,574

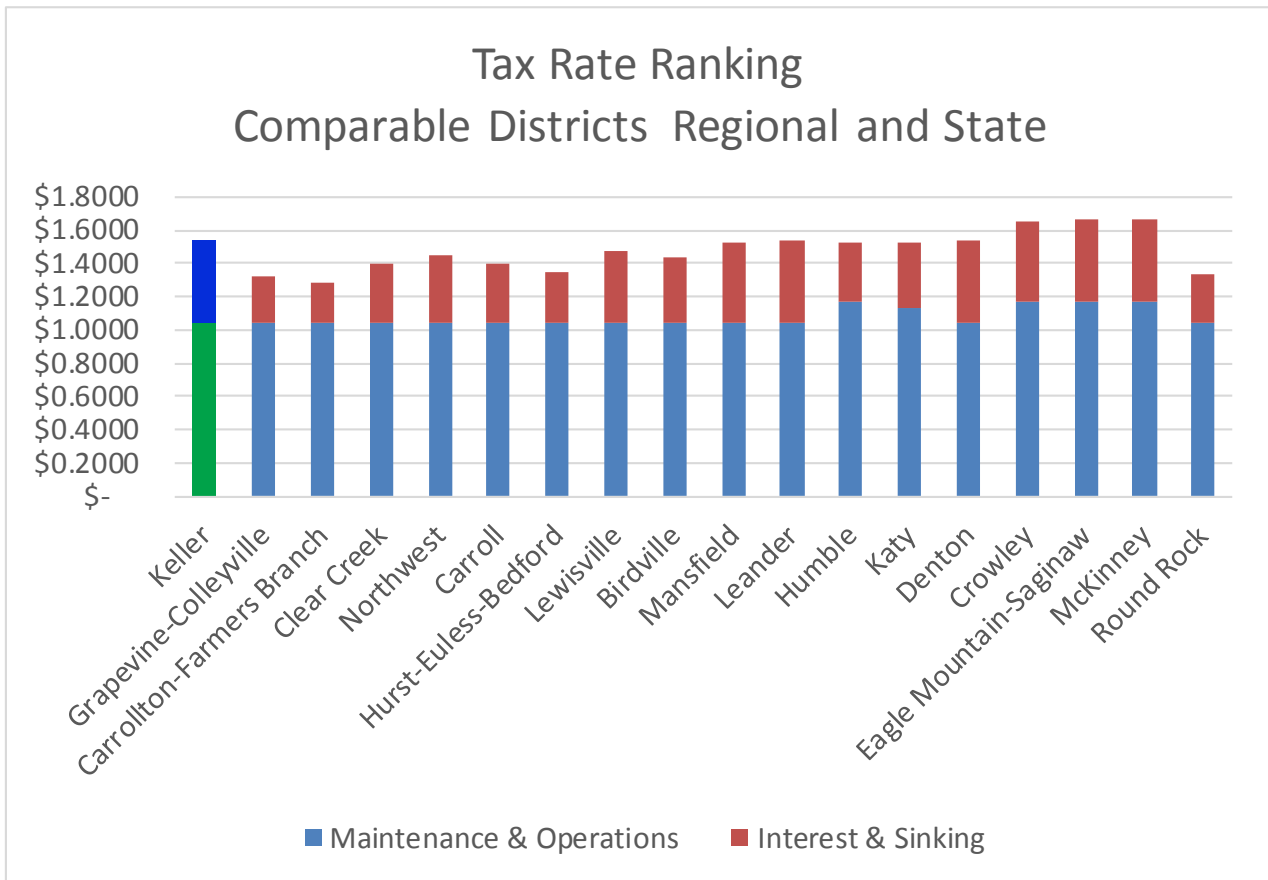
KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
COMBINED BUDGET SUMMARY - REVENUES AND EXPENDITURES
YEARS ENDED AUGUST 31, 2013-AUGUST 31, 2016 (BUDGETED)
GENERAL FUND, DEBT SERVICE FUND, AND CHILD NUTRITION FUND**

Revenues	Audited 2012-13	Audited 2013-14	Projected Actual 2014-15	Adopted Budget 2015-16
Local Revenues	\$ 185,175,663	\$ 193,372,224	\$ 207,310,933	\$ 222,804,827
State Revenues	91,677,590	105,876,579	107,305,393	97,013,903
Federal Revenues	5,393,519	6,974,512	8,401,419	8,435,607
Total Revenues	282,246,772	306,223,315	323,017,745	328,254,337
Expenditures				
Instruction	137,181,022	147,117,681	159,010,945	160,492,622
Media Services (Library)	3,003,067	3,240,690	3,402,039	3,398,135
Curriculum and Staff Development	1,827,345	2,746,903	3,918,155	4,041,615
Instructional Leadership	1,970,633	2,290,194	2,682,952	2,933,090
School Leadership	13,603,614	15,100,413	15,681,001	15,942,718
Guidance, Counseling and Evaluation	7,488,510	8,456,356	10,082,753	9,874,346
Social Work Services	202,973	148,189	182,849	179,983
Health Services	2,659,587	2,712,241	2,937,578	3,157,091
Student Transportation	5,685,113	6,807,163	6,653,341	7,231,723
Food Services	12,180,513	12,899,193	13,748,868	12,191,107
Co/Extracurricular Activities	6,877,682	8,435,536	8,615,806	7,289,887
General Administration	5,332,388	5,044,001	6,242,307	6,737,064
Facility Maintenance and Operations	19,154,666	19,946,311	21,810,988	25,063,834
Security and Monitoring Services	1,573,179	1,835,280	1,928,019	2,158,387
Data Processing Services	4,348,035	4,608,219	4,958,590	4,810,421
Community Services	660,173	596,203	1,316,441	518,177
Debt Service	58,408,156	59,297,515	69,833,347	64,304,425
Facility Acquisition and Construction	1,498,586	1,003,516	43,188	99,000
Shared Services Arrangements	2,793,151	3,425,122	2,880,212	-
Juvenile Justice Alternative Education Programs	-	-	9,804	2,300
Tax Increment Fund (TIF)	1,973,187	2,055,966	2,294,948	2,623,317
Intergovernmental Charges	-	1,068,490	1,153,257	1,209,301
Total Expenditures	288,421,580	308,835,182	339,387,388	334,258,543
Excess (Deficiencies) Revenue over Expenditures	(6,174,808)	(2,611,867)	(16,369,643)	(6,004,206)
Other Financial Resources (Uses)				
Other Resources	100,689,802	49,295,068	324,970,718	2,000,000
Other (Uses)	(99,734,652)	(49,070,797)	(318,213,030)	-
Total Other Financing Resources (Uses)	955,150	224,271	6,757,688	2,000,000
Excess (Deficiencies) of Revenue and Other Financial Resources Over (Under) Expenditures and Other Financial Uses	(5,219,658)	(2,387,596)	(9,611,955)	(4,004,206)
Fund Balance, beginning, 9/1	91,636,989	86,417,331	84,029,735	74,417,780
Fund Balance, ending 8/31	\$ 86,417,331	\$ 84,029,735	\$ 74,417,780	\$ 70,413,574

2015-2016 TOTAL TAX RATE RANKING
COMPARABLE DISTRICTS– REGIONAL AND STATE

<u>District</u>	<u>M & O</u>	<u>I & S</u>	<u>Total Rate</u>
Keller	\$1.0400	\$0.5000	\$ 1.5400
Grapevine-Colleyville	\$1.0400	\$0.2801	\$ 1.3201
Carrollton-Farmers Branch	\$1.0400	\$0.2417	\$ 1.2817
Clear Creek	\$1.0400	\$0.3600	\$ 1.4000
Northwest	\$1.0400	\$0.4125	\$ 1.4525
Carroll	\$1.0400	\$0.3550	\$ 1.3950
Hurst-Eules-Bedford	\$1.0400	\$0.3100	\$ 1.3500
Lewisville	\$1.0400	\$0.4367	\$ 1.4767
Birdville	\$1.0400	\$0.3950	\$ 1.4350
Mansfield	\$1.0400	\$0.4871	\$ 1.5271
Leander	\$1.0400	\$0.5000	\$ 1.5400
Humble	\$1.1700	\$0.3500	\$ 1.5200
Katy	\$1.1266	\$0.4000	\$ 1.5266
Denton	\$1.0400	\$0.5000	\$ 1.5400
Crowley	\$1.1700	\$0.4800	\$ 1.6500
Eagle Mountain-Saginaw	\$1.1700	\$0.5000	\$ 1.6700
McKinney	\$1.1700	\$0.5000	\$ 1.6700
Round Rock	\$1.0400	\$0.2925	\$ 1.3325



KELLER ISD 2015-2016 BUDGET

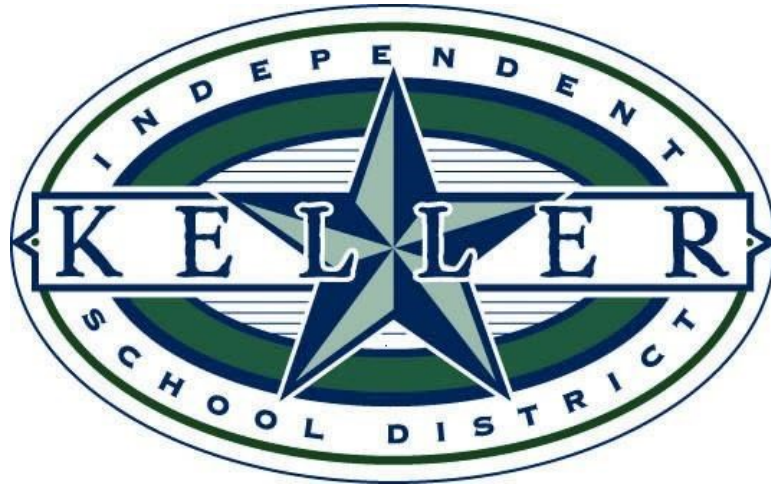
**KELLER INDEPENDENT SCHOOL DISTRICT
COMPARISON OF TAX RATES
LAST 25 FISCAL YEARS**

<u>Tax Year</u>	<u>School Year</u>	<u>Maintenance & Operations</u>	<u>Debt Service</u>	<u>CED*</u>	<u>Total</u>
1991	1991-92	0.0850	0.4100	0.8350	1.3300
1992	1992-93	0.0700	0.4150	0.9650	1.4500
1993	1993-94	1.0600	0.4000		1.4600
1994	1994-95	1.0850	0.4150		1.5000
1995	1995-96	1.1050	0.3950		1.5000
1996	1996-97	1.1300	0.3700		1.5000
1997	1997-98	1.1500	0.3500		1.5000
1998	1998-99	1.1750	0.3350		1.5100
1999	1999-00	1.2450	0.2300		1.4750
2000	2000-01	1.2732	0.2495		1.5227
2001	2001-02	1.2730	0.2559		1.5289
2002	2002-03	1.3926	0.2593		1.6519
2003	2003-04	1.4213	0.2549		1.6762
2004	2004-05	1.4336	0.2639		1.6975
2005	2005-06	1.4336	0.2822		1.7158
2006	2006-07	1.3111	0.2969		1.6080
2007	2007-08	1.0400	0.3174		1.3574
2008	2008-09	1.0400	0.3769		1.4169
2009	2009-10	1.0400	0.4463		1.4863
2010	2010-11	1.0400	0.4906		1.5306
2011	2011-12	1.0400	0.5000		1.5400
2012	2012-13	1.0400	0.5000		1.5400
2013	2013-14	1.0400	0.5000		1.5400
2014	2014-15	1.0400	0.5000		1.5400
2015	2015-16	1.0400	0.5000		1.5400

* In 1991-92, the state established the County Education District (CED), an additional taxing unit. The CED was discontinued after 1993.

General Fund





KELLER ISD
Intentionally  Exceptional

GENERAL FUND OVERVIEW

The General Fund is used to account for all financial transactions not properly included in other funds. The principal sources of revenue include local property taxes and state funding. Expenditures include all costs associated with the daily operations of the schools.

Revenue Trends and Assumptions

The largest portion of funding in the General Fund consists of local revenue, which accounts for 59.4% of total budgeted revenue and is primarily property taxes. The next largest source of revenue necessary to fund operating expenditures is derived from State funding sources. The percentage of funding provided by the state is 39.3%, which is (9.27%) less than the prior year. The District expects to receive \$3,125,000 in federal revenue for 2015-16, which is 1.26% of total revenues. Federal revenue includes eRate revenue and Student Health and Related Services (SHARS) revenue. Federal revenue is budgeted to decrease by (3.02%) from the prior year due to an adjustment to the SHARS 2015 estimated revenue and a reduction in the 2016 estimated eRate revenue share.

PROJECTION COMPONENTS

Projected Current Tax Collections

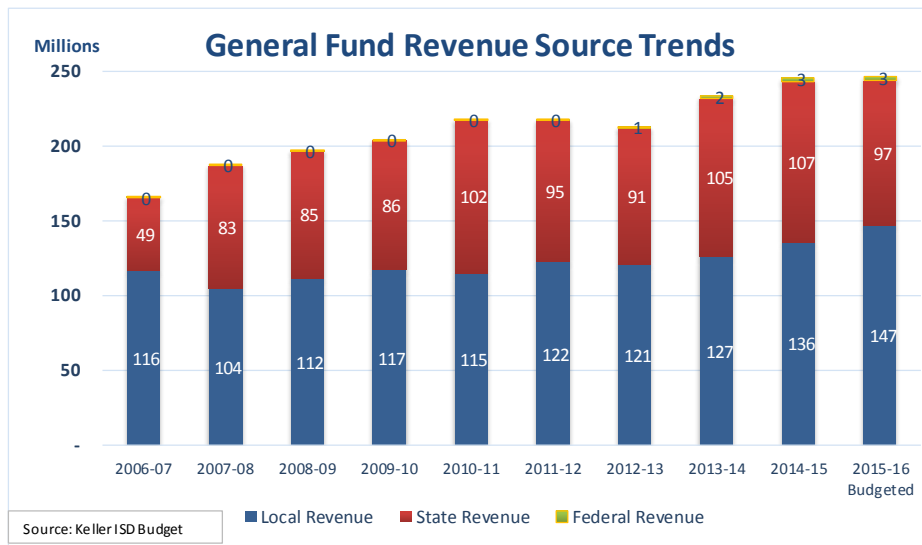
Estimated amounts of tax revenue to be generated from the current levy are predicted using estimated taxable values, collection rates, and tax rates. A collection rate of 99% was used in estimating tax revenue. House Bill 1 of the 79th Legislature Third Called Special Session requires the tax rate to be reduced to 66.67% of the 2005-06 tax rate, which compressed the tax rate to \$.9557 for 2007-08 through 2015-16. An additional four pennies was available without voter approval, which the District has utilized each year since the 2007-08 budget year. A tax ratification election is required to raise the maintenance and operations tax rate about \$1.04. Keller ISD's current tax rate of \$1.04 for maintenance and operations and \$.050 for debt service, for a total of \$1.54, has been in effect since the 2010-11 fiscal year.

State Revenue Estimate

The calculations of state revenue are based on the current funding formula. Three of the most critical factors in estimating General Fund state aid are Average Daily Attendance (ADA) projections, Full Time Equivalent (FTE's) for special populations of students such as bilingual, gifted and talented, career/technology and special education students, and taxable property values.

KELLER ISD 2015-2016 BUDGET

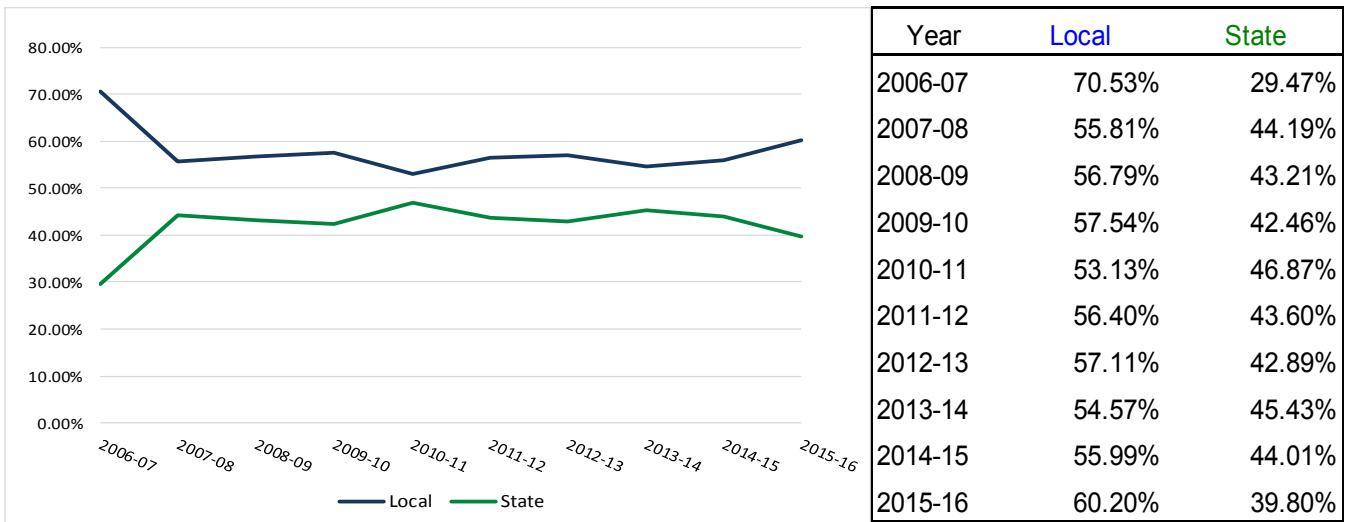
This graph depicts changes in KISD revenue source levels, 2007-2016.



Year	Local	State	Federal	Total Revenue
2006-07	116,475,309	48,662,261	9,386	165,146,956
2007-08	104,365,640	82,621,118	33,815	187,020,573
2008-09	111,660,630	84,944,885	244,835	196,850,350
2009-10	117,182,293	86,473,461	238,831	203,894,585
2010-11	115,342,108	101,741,928	223,961	217,307,997
2011-12	122,477,457	94,683,993	346,711	217,508,161
2012-13	121,132,398	90,958,923	598,641	212,689,962
2013-14	126,533,645	105,325,844	1,980,757	233,840,246
2014-15	135,939,321	106,842,417	3,222,267	246,004,005
2015-16 Budgeted	146,654,935	96,942,490	3,125,000	246,722,425

The following graph depicts local and state revenue as a percentage of total revenue from 2007-2016. The local share of the total revenue increased by 7.88% in 2015-16 from the previous year, up by \$10,715,614. This is almost entirely due to an increase in property values. After adjustment for TRS-On-Behalf, State aid has decreased from 2014-15, by (\$9,899,927) or (9.27%). Prior to 2011-12, state revenue had risen annually for seven successive years. Due to the 82nd Legislative Session, state revenue decreased by over \$7 million in 2011-12 and hovered around the same amount until adjustments were made by the 83rd State Legislature. Although the 84th State Legislature increased per pupil funding and revised the fractional funding penalty, state funding has reduced to 39.3% while local revenue has increased to 59.4%.

PERCENTAGE OF LOCAL AND STATE REVENUE



Revenues from federal sources has increased by over \$2.7 million in the last 5 years. This is due largely from the district’s efforts to identify and implement supplemental funding. The largest federal source of funding is from the Student Health and Related Services (SHARS) which reimburses the district for services provided to Medicaid eligible special education students.

In addition to the General Fund Budget, the District anticipates collecting at least \$8,028,242 in Special Revenue Funds for 2015-2016 (some award amounts are still unavailable at press time).

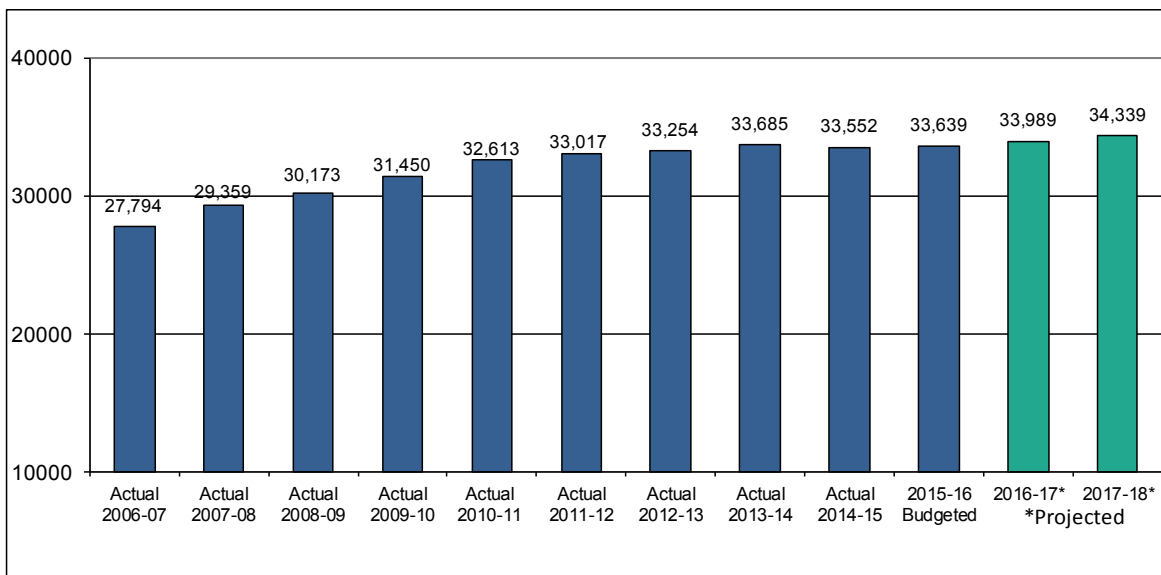
Enrollment

Enrollment projections are necessary to accurately budget general fund revenue. State revenue estimates, as well as the campus expenditure budget allocations rely heavily on enrollment data. Enrollment projections are prepared by the District’s demographic consultant and are verified by KISD’s Demographic department.

Three forms of data are used to develop student enrollment projections from one year to the next. First, on a campus by campus basis, student enrollments are rolled forward one year to determine what the actual student enrollment could be for the school year being projected. Secondly, an annual district wide demographic study is done to identify existing residential development under construction and residential construction planned for the next two to five years. A formula for students per household is applied to determine the number of students for elementary, intermediate, middle, and high school that new residential development will bring to the district. Thirdly individual campus student enrollment records are maintained for the five years prior to a new school year. This data is used to identify individual campus and campus grade level enrollment and specifically the grade levels that will increase. It also helps the District identify schools showing a continuous decrease in student enrollment. In addition, the school district contracts with a demographic company for a district wide one, five and ten year student enrollment projection. These projections are broken down by elementary, intermediate, middle, and high school.

The District has experienced significant increases in enrollment over the last ten years; however, enrollment growth is slowing as the district approaches build out. As recently as the 2010-11 year, enrollment growth was projected to be 3.7%, but has hovered around 1% or less since then. The 2014-15 fiscal year actually saw a slight decrease in enrollment, owing to the establishment of a charter school in the area. Enrollment growth for the next three years should continue to hover at 1% growth. Enrollment growth presents the District with significant challenges including additional personnel, instructional facilities, supplies, and materials. The following graph depicts Keller ISD’s enrollment, actual and projected, from 2007 to 2018.

KELLER ISD ENROLLMENT



EXPENDITURE SUMMARY

The total General Fund expenditure budget for 2015-16 is \$257,770,011. This is an increase of \$1.96 million or .77% more than projected actual 2014-15 expenditures. As always, the majority of a school district's expenditures are for personnel costs, 81.9%.

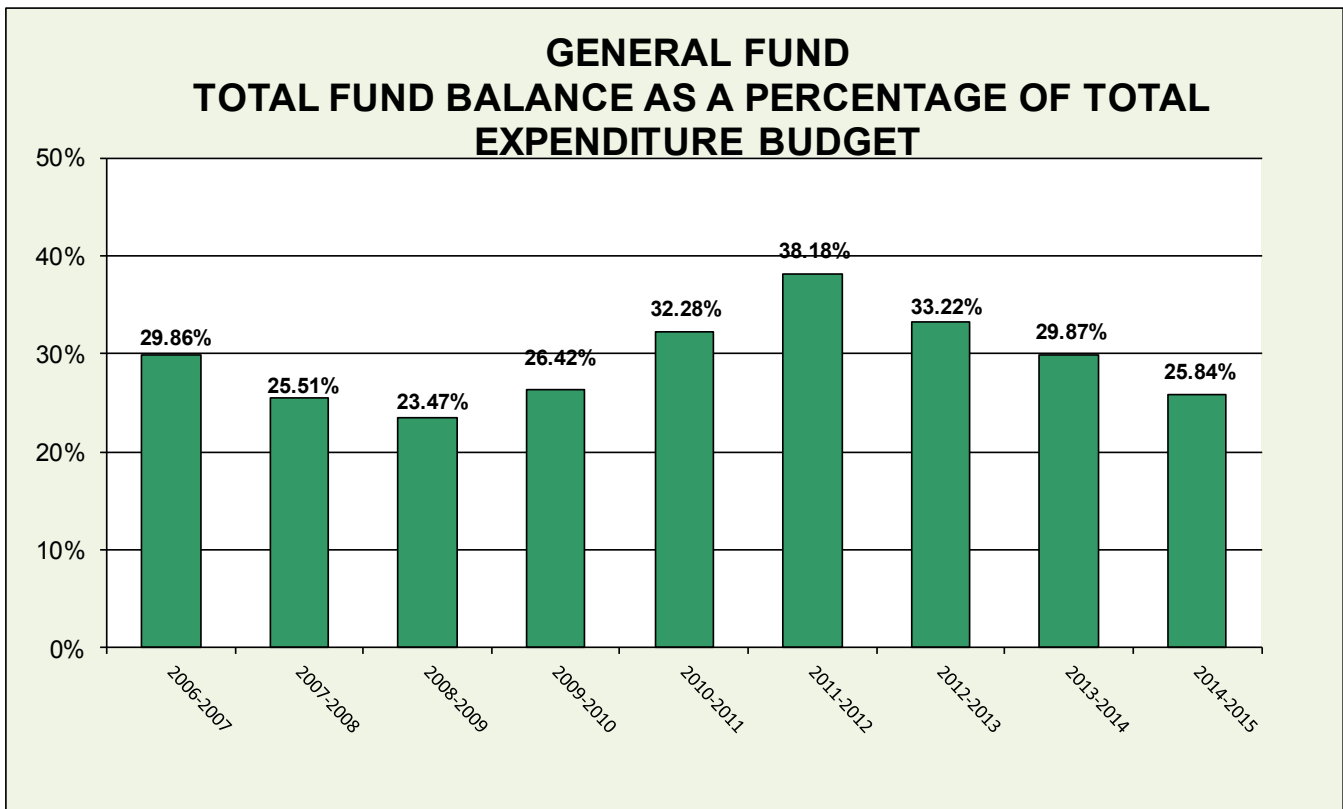
After reducing the general fund budget by \$12 million in 2011-12 in response to the state cutting billions from the education budget, the district has slowly been reinstating some necessary programs and adding new initiatives. The 2015-16 budget focuses on providing the resources to comply with the requirements of House Bill 5, hiring and retaining qualified staff, and addressing the cost of health care. The 2015-16 budget includes a 3% of midpoint pay increase for all staff and includes new items deemed necessary to support educational goals for the 2015-16, including:

3% of mid point pay increases for staff	6,000,000
Additional positions needed based on staffing formula	1,500,000
Increase in Career and Technology Education tuition	163,930
New Library system	60,000
Year 2 costs of KISD Health Clinic	589,000
Tex-Share	6,700
Assist with Health Insurance costs	600,000
Operating costs for Video Scoreboard	13,500
Affordable Care Act required payments and fees	232,172
Increase in utilities due to higher rates and additional square footage	225,000
Increase in Appraisal District & Tax Assessor costs	33,701
New Student Intervention Department	62,026
Increase in Transportation contract (net)	120,000
Increase in teacher laptop lease	150,000
Mandated increase by Texas Retirement System	2,400,000
Additional Graduation Funds	49,133
Continuation of Orchestra Program	70,365
Community in Schools	45,000
Increase in Printer and Technology Contract Services	170,000
	<u>12,490,527</u>

IMPACT ON FUND BALANCE

A deficit of (\$9,047,586) is budgeted for the 2015-16 year. Projected budgeted fund balance at 8/31/15 is \$66,616,240. After considering the 2016 budgeted deficit, the general fund budgeted fund balance is projected to be approximately \$57.56 million at 8/31/2016.

Pursuant to GASB 54, KISD has adopted a policy for commitment in general fund balance of 20% of the subsequent year’s budgeted expenditures. This equates to approximately \$51 million. As depicted below, the general fund balance has consistently exceeded 20% of the subsequent year expenditures. Therefore, the Board of Trustees have embarked on a program of managed “spend-down” of the general fund balance by adopting a deficit budget each year since 2012-13.



	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	Budgeted 2015-2016
Total Budget	159,675,578	187,382,466	198,150,292	198,073,529	205,495,730	198,667,346	217,349,489	235,740,595	255,807,838	257,770,011
Fund Balance	47,676,919	47,805,753	46,505,811	52,326,867	64,139,134	82,979,949	78,320,422	76,420,073	66,616,240	57,568,654
	25.44%	24.13%	23.48%	25.46%	32.28%	38.18%	33.22%	29.87%	25.84%	

KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
SUMMARY BY MAJOR OBJECT AND FUNCTION
GENERAL FUND**

Revenues	Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Percent Increase (Decrease)	Percent of Total
5711 Current Taxes	\$ 120,821,136	\$ 130,259,867	\$ 139,812,118	7.33%	56.67%
5719 Delinquent Taxes and Penalties/Interest	1,689,849	1,437,097	1,435,000	-0.15%	0.58%
5739 Tuition and Fees	133,891	112,518	132,500	17.76%	0.05%
5742 Investment Earnings	131,666	226,000	325,000	43.81%	0.13%
5743 Facility Rental	566,967	531,686	622,000	16.99%	0.25%
5749 Other Revenue from Local Sources	2,614,104	2,829,026	3,806,817	34.56%	1.54%
5752 Athletic Activities	576,032	543,127	521,500	-3.98%	0.21%
Total Local Revenue	126,533,645	135,939,321	146,654,935	7.88%	59.43%
5811 Per Capita Apportionment	8,284,897	8,461,438	9,092,576	7.46%	3.69%
5812 Foundation School Fund	87,722,425	90,298,490	87,849,914	-2.71%	35.61%
5828 Pre-K Supplemental Funding	-	25,132	-	-100.00%	0.00%
5829 TEA State Matching Funds	26,998	499	-	-100.00%	0.00%
5831 TRS On-Behalf	9,291,524	8,056,858	-	-100.00%	0.00%
Total State Revenue	105,325,844	106,842,417	96,942,490	-9.27%	39.30%
5929 Federal Revenue Distributed by TEA	235,365	261,491	225,000	-13.95%	0.09%
5932 Federal Revenue Distributed by Other Agencies	1,745,392	2,960,776	2,900,000	-2.05%	1.18%
Total Federal Revenue	1,980,757	3,222,267	3,125,000	-3.02%	1.27%
Revenues Grand Total	233,840,246	246,004,005	246,722,425	0.29%	100.00%
Expenditures					
11 Instruction	147,117,681	159,010,945	160,492,622	0.93%	62.26%
12 Media Services (Library)	3,240,690	3,402,039	3,398,135	-0.11%	1.32%
13 Curriculum and Staff Development	2,746,903	3,918,155	4,041,615	3.15%	1.57%
21 Instructional Leadership	2,290,194	2,682,952	2,933,090	9.32%	1.14%
23 School Leadership	15,100,413	15,681,001	15,942,718	1.67%	6.18%
31 Guidance, Counseling and Evaluation	8,456,356	10,082,753	9,874,346	-2.07%	3.83%
32 Social Work Services	148,189	182,849	179,983	-1.57%	0.07%
33 Health Services	2,712,241	2,937,578	3,157,091	7.47%	1.22%
34 Student Transportation	6,807,163	6,653,341	7,231,723	8.69%	2.81%
35 Food Services	3,196	2,665	7,000	162.66%	0.00%
36 Co/Extracurricular Activities	8,435,536	8,615,806	7,289,887	-15.39%	2.83%
41 General Administration	5,044,001	6,242,307	6,737,064	7.93%	2.61%
51 Facility Maintenance and Operations	19,946,311	21,810,988	25,063,834	14.91%	9.72%
52 Security and Monitoring Services	1,835,280	1,928,019	2,158,387	11.95%	0.84%
53 Data Processing Services	4,608,219	4,958,590	4,810,421	-2.99%	1.87%
61 Community Services	596,203	1,316,441	518,177	-60.64%	0.20%
81 Facility Acquisition and Construction	102,441	43,188	99,000	129.23%	0.04%
93 Shared Services Arrangements	3,425,122	2,880,212	-	-100.00%	0.00%
95 Juvenile Justice Alternative Education Programs	-	9,804	2,300	-76.54%	0.00%
97 Tax Increment Fund (TIF)	2,055,966	2,294,948	2,623,317	14.31%	1.02%
99 Intergovernmental Charges	1,068,490	1,153,257	1,209,301	4.86%	0.47%
	235,740,595	255,807,838	257,770,011	0.77%	100.00%
Other Financial Resources (Uses)	-	-	-		
Other Resources	-	-	2,000,000		
Other Financial Resources (Uses) Grand Total	-	-	2,000,000		
Excess (Deficit) of Revenue and other Financial Resources Over (Under) Expenditures and other Financial Uses	\$ (1,900,349)	\$ (9,803,833)	\$ (9,047,586)		

KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
GENERAL FUND
EXPENDITURE SUMMARY BY OBJECT**

	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Percent Increase (Decrease)	Percent of Total
6112 Substitute Teachers	\$ 2,752,301	\$ 2,885,162	\$ 2,799,671	-2.96%	1.09%
6118 Extra Duty/Stipends Professional	4,320,487	4,557,274	4,735,998	3.92%	1.84%
6119 Professional Salaries	137,573,973	150,989,932	161,347,798	6.86%	62.59%
6121 Overtime	207,965	340,607	8,250	-97.58%	0.00%
6122 Support Personnel Substitutes	367,423	409,974	420,146	2.48%	0.16%
6127 Student Workers	8,805	5,460	-	-100.00%	0.00%
6128 Extra Duty Pay Support Personnel	251,115	281,965	216,002	-23.39%	0.08%
6129 Support Salaries	19,999,192	21,297,653	23,360,004	9.68%	9.06%
6131 Contract Buyout	6,000	48,750	56,500	15.90%	0.02%
6141 FIMM/FICA	2,291,393	2,485,784	2,648,873	6.56%	1.03%
6142 Group Health Insurance	8,933,257	8,889,725	8,876,255	-0.15%	3.44%
6143 Workers Compensation	1,317,894	1,428,772	1,616,722	13.15%	0.63%
6144 TRS On-Behalf	9,291,525	8,056,859	-	-100.00%	0.00%
6145 Unemployment Payments	45,710	27,286	-	-100.00%	0.00%
6146 TRS	3,734,572	4,227,151	2,864,000	-32.25%	1.11%
6149 TRS Supplemental	-	1,988,978	2,234,881	12.36%	0.87%
Total Payroll Costs	191,101,612	207,921,332	211,185,100	1.57%	81.92%
6211 Legal Services	33,632	28,761	143,102	397.56%	0.06%
6212 Audit Services	32,775	77,000	72,000	-6.49%	0.03%
6213 Tarrant Appraisal District	1,133,159	1,221,987	1,278,243	4.60%	0.50%
6219 Contract Services	694,432	786,979	858,806	9.13%	0.33%
6222 Student Tuition	150,482	229,035	270,000	17.89%	0.10%
6223 JJAEP Contract Services	-	9,804	2,300	-76.54%	0.00%
6229 Instruction District Wide	375	-	85	100.00%	0.00%
6239 ESC Contract	115,355	129,211	134,522	4.11%	0.05%
6244 Contract Maintenance	1,106,001	1,208,890	1,022,263	-15.44%	0.40%
6245 Contract Repair	5,980	3,420	1,500	-56.14%	0.00%
6246 Contract Services-Copier	1,366,950	1,347,529	1,249,612	-7.27%	0.48%
6247 Contract Services-Technical	114,265	210,626	309,326	46.86%	0.12%
6249 Contract M&R	3,185,144	3,183,630	2,982,807	-6.31%	1.16%
6255 Utilities Water and Sewer	1,271,593	1,273,453	1,453,050	14.10%	0.56%
6256 Telecommunications	465,111	410,982	512,880	24.79%	0.20%
6257 Utilities (Electricity)	1,954,777	2,673,367	5,714,990	113.77%	2.22%
6258 Utilities (Gas)	512,456	362,375	510,278	40.81%	0.20%
6259 Utilities (Garbage)	294,890	292,002	305,930	4.77%	0.12%
6269 Equipment Rental	879,159	1,679,719	1,989,643	18.45%	0.77%
6291 Consulting Services	20,975	5,225	13,300	154.55%	0.01%
6298 Royalty Fees	11,004	15,785	42,095	166.68%	0.02%
6299 Misc. Contracted Service	8,307,378	9,273,164	9,489,711	2.34%	3.68%
Total Contract Services	21,655,893	24,422,944	28,356,443	16.11%	11.01%

KELLER ISD 2015-2016 BUDGET

**GENERAL FUND
EXPENDITURE SUMMARY BY OBJECT (continued)**

	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Percent Increase (Decrease)	Percent of Total
6311 Fuel	836,038	644,492	802,123	24.46%	0.31%
6315 Supplies Operations	634,076	714,906	721,990	0.99%	0.28%
6316 Supplies MNT Operations	734,951	826,011	890,335	7.79%	0.35%
6317 Supplies-Grounds	327,325	177,445	104,000	-41.39%	0.04%
6321 Textbooks	45,958	24,694	46,892	89.89%	0.02%
6325 Reading Materials	30,676	23,083	11,860	-48.62%	0.00%
6326 Magazines/Periodicals	12,663	6,592	12,677	92.31%	0.00%
6329 Subscriptions	849,309	965,464	803,939	-16.73%	0.31%
6334 Testing Supplies	76,599	73,420	102,967	40.24%	0.04%
6395 Supplies	3,860,809	3,699,583	3,308,971	-10.56%	1.29%
6396 Technology Equipment	4,095,528	4,672,125	3,421,421	-26.77%	1.33%
6397 Furniture/Equipment	848,205	781,554	508,372	-34.95%	0.20%
6398 Mid-Year Adjustment	-	-	8,087	100.00%	0.00%
6399 Postage	73,080	68,701	105,403	53.42%	0.04%
Total Supplies and Materials	12,425,217	12,678,070	10,849,037	-14.43%	4.21%
6411 Employee Travel	851,989	1,068,728	1,228,712	14.97%	0.48%
6412 Student Travel	521,439	619,753	377,253	-39.13%	0.15%
6419 Non Employee Travel	26,972	28,323	16,426	-42.00%	0.01%
6425 Liability Insurance	1,214,726	1,002,771	1,069,038	6.61%	0.41%
6427 Bonding Expense	-	-	350	100.00%	0.00%
6434 Election Expense	23,746	75,175	46,750	-37.81%	0.02%
6492 Fiscal Agents Shared Services	3,162,622	2,572,712	-	-100.00%	0.00%
6493 Member District Shared Services	6,000	6,000	6,000	0.00%	0.00%
6494 Student Transportation	476,938	468,962	424,204	-9.54%	0.16%
6495 Membership Fees	154,509	197,320	239,263	21.26%	0.09%
6497 Awards	71,290	84,029	83,360	-0.80%	0.03%
6498 Food	51,069	55,973	75,212	34.37%	0.03%
6499 Fees and Dues	2,442,717	2,770,009	3,287,965	18.70%	1.28%
Total Other Operating Expenses	9,004,017	8,949,755	6,854,533	-23.41%	2.66%
6619 Land	105,250	9,838	37,000	276.09%	0.01%
6629 Construction/Renovation	48,151	29,438	-	-100.00%	0.00%
6631 Vehicle	341,239	146,921	109,300	-25.61%	0.04%
6639 Equipment >5000	1,059,216	1,649,540	378,598	-77.05%	0.15%
Total Capital Outlay	1,553,856	1,835,737	524,898	-71.41%	0.20%
Total Expenditures	\$ 235,740,595	\$ 255,807,838	\$ 257,770,011	0.77%	100.00%

KELLER ISD 2015-2016 BUDGET

KELLER INDEPENDENT SCHOOL DISTRICT

GENERAL FUND

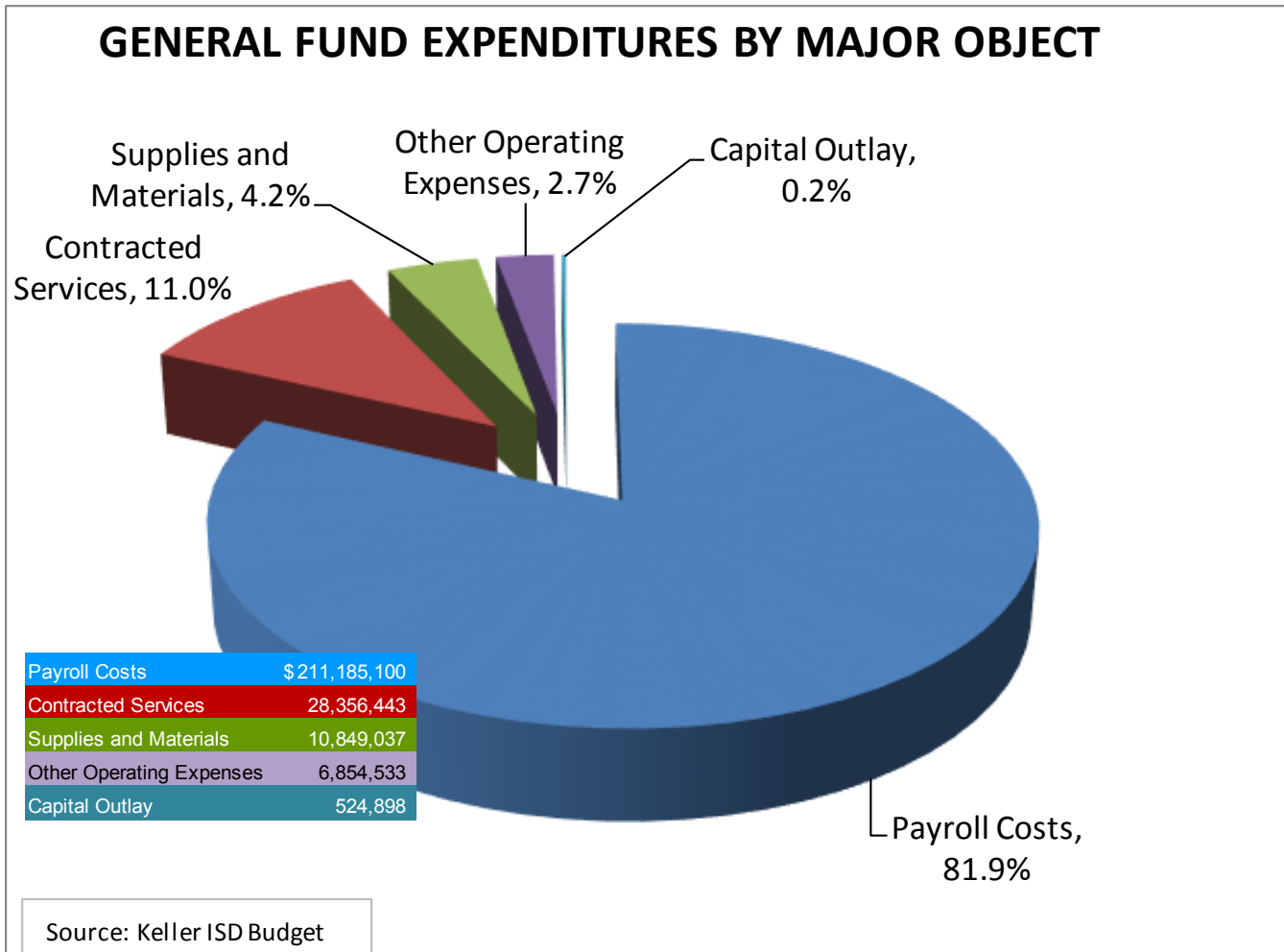
BUDGET SUMMARY: 2015-2016

EXPENDITURE SUMMARY BY MAJOR OBJECT

	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Amount Increase (Decrease)	Percent Increase (Decrease)	Percent of Total
61XX Payroll Costs	191,101,612	\$ 207,921,332	\$ 211,185,100	\$ 3,263,768	1.57%	81.9%
62XX Contracted Services	21,655,893	24,422,944	28,356,443	3,933,499	16.11%	11.0%
63XX Supplies and Materials	12,425,217	12,678,070	10,849,037	(1,829,033)	-14.43%	4.2%
64XX Other Operating Expenses	9,004,017	8,949,755	6,854,533	(2,095,222)	-23.41%	2.7%
65XX Capital Outlay	1,553,856	1,835,737	524,898	(1,310,839)	-71.41%	0.2%
Total Expenditures	\$ 235,740,595	\$ 255,807,838	\$ 257,770,011	\$ 1,962,173	0.77%	100.00%

The graph below depicts the 2015-16 General Fund Expenditure Budget by Major Object.

**GENERAL FUND
EXPENDITURES BY MAJOR OBJECT FOR 2015-16**



KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
GENERAL FUND
BUDGET SUMMARY: 2015-2016
EXPENDITURE SUMMARY BY MAJOR OBJECT WITHIN FUNCTION**

	Actual Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016	Percent Increase (Decrease)	Percent of Total
11 Instruction					
61 Payroll Costs	\$ 138,531,316	\$ 149,721,231	\$ 152,088,198	1.58%	59.00%
62 Contracted Services	2,691,907	3,249,163	3,674,147	13.08%	1.43%
63 Supplies and Materials	5,594,015	5,705,501	4,376,252	-23.30%	1.70%
64 Other Operating Expenses	255,904	288,316	331,177	14.87%	0.13%
66 Capital Outlay	44,539	46,734	22,848	-51.11%	0.01%
Total Function 11	147,117,681	159,010,945	160,492,622	0.93%	62.27%
12 Media Services (Library)					
61 Payroll Costs	2,429,379	2,571,239	2,582,821	0.45%	1.01%
62 Contracted Services	109,189	134,050	102,690	-23.39%	0.04%
63 Supplies and Materials	672,637	676,994	699,605	3.34%	0.27%
64 Other Operating Expenses	17,857	19,756	13,019	-34.10%	0.01%
66 Capital Outlay	11,628	-	-	100.00%	0.00%
Total Function 12	3,240,690	3,402,039	3,398,135	-0.11%	1.33%
13 Curriculum and Staff Development					
61 Payroll Costs	1,543,090	2,374,101	2,583,361	8.81%	1.00%
62 Contracted Services	317,342	514,898	656,639	27.53%	0.26%
63 Supplies and Materials	510,190	450,513	303,202	-32.70%	0.13%
64 Other Operating Expenses	376,281	578,643	498,413	-13.87%	0.19%
Total Function 13	2,746,903	3,918,155	4,041,615	3.15%	1.58%
21 Instructional Leadership					
61 Payroll Costs	2,059,693	2,404,619	2,562,114	6.55%	0.99%
62 Contracted Services	62,301	56,639	65,755	16.09%	0.03%
63 Supplies and Materials	76,397	109,371	119,331	9.11%	0.05%
64 Other Operating Expenses	91,803	112,323	185,890	65.50%	0.07%
Total Function 21	2,290,194	2,682,952	2,933,090	9.32%	1.14%
23 School Leadership					
61 Payroll Costs	14,506,734	15,025,283	15,291,633	1.77%	5.93%
62 Contracted Services	235,165	238,969	238,660	-0.13%	0.09%
63 Supplies and Materials	176,165	181,962	165,184	-9.22%	0.06%
64 Other Operating Expenses	182,349	176,287	223,991	27.06%	0.09%
66 Capital Outlay	-	58,500	23,250	-60.26%	0.01%
Total Function 23	15,100,413	15,681,001	15,942,718	1.67%	6.18%
31 Guidance, Counseling and Evaluation					
61 Payroll Costs	8,077,735	9,631,370	9,458,142	-1.80%	3.67%
62 Contracted Services	43,143	46,304	52,359	13.08%	0.02%
63 Supplies and Materials	243,506	304,951	234,398	-23.14%	0.09%
64 Other Operating Expenses	91,972	100,128	129,447	29.28%	0.05%
Total Function 31	8,456,356	10,082,753	9,874,346	-2.07%	3.83%

KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
GENERAL FUND**

BUDGET SUMMARY: 2015-2016

EXPENDITURE SUMMARY BY MAJOR OBJECT WITHIN FUNCTION—Continued

	<u>Actual Audited 2013-2014</u>	<u>Projected Actual 2014-2015</u>	<u>Adopted Budget 2015-2016</u>	<u>Percent Increase (Decrease)</u>	<u>Percent of Total</u>
32 Social Work Services					
61 Payroll Costs	124,621	166,263	165,251	-0.61%	0.06%
62 Contracted Services	20,578	7,500	7,500	0.00%	0.00%
63 Supplies and Materials	844	6,849	4,105	-40.06%	0.00%
64 Other Operating Expenses	2,146	2,237	3,127	39.79%	0.00%
Total Function 32	148,189	182,849	179,983	-1.57%	0.06%
33 Health Services					
61 Payroll Costs	2,573,888	2,761,883	2,971,738	7.60%	1.15%
62 Contracted Services	4,238	3,783	10,000	164.34%	0.00%
63 Supplies and Materials	119,484	164,032	147,328	-10.18%	0.06%
64 Other Operating Expenses	14,631	7,880	28,025	255.65%	0.01%
Total Function 33	2,712,241	2,937,578	3,157,091	7.47%	1.22%
34 Student Transportation					
62 Contracted Services	5,647,234	5,937,632	6,403,505	7.85%	2.49%
63 Supplies and Materials	1,086,038	644,492	801,318	24.33%	0.31%
64 Other Operating Expenses	73,891	71,217	26,900	-62.23%	0.01%
Total Function 34	6,807,163	6,653,341	7,231,723	8.69%	2.81%
35 Food Service					
62 Contracted Services	3,196	2,665	7,000	162.66%	0.00%
Total Function 35	3,196	2,665	7,000	162.66%	0.00%
36 Co/Extracurricular Activities					
61 Payroll Costs	4,494,022	4,893,719	4,740,299	-3.14%	1.84%
62 Contracted Services	712,777	717,836	733,850	2.23%	0.28%
63 Supplies and Materials	1,128,822	1,462,434	834,949	-42.91%	0.32%
64 Other Operating Expenses	1,101,153	1,203,581	980,789	-18.51%	0.38%
66 Capital Outlay	998,762	338,236	-	-100.00%	0.00%
Total Function 36	8,435,536	8,615,806	7,289,887	-15.39%	2.82%
41 General Administration					
61 Payroll Costs	3,759,843	4,410,306	4,453,636	0.98%	1.73%
62 Contracted Services	644,550	1,043,384	1,346,118	29.01%	0.52%
63 Supplies and Materials	318,059	415,950	389,394	-6.38%	0.15%
64 Other Operating Expenses	280,090	372,667	547,916	47.03%	0.21%
66 Capital Outlay	41,459	-	-	0.00%	0.00%
Total Function 41	5,044,001	6,242,307	6,737,064	7.93%	2.61%
51 Facility Maintenance and Operations					
61 Payroll Costs	10,599,061	11,292,117	11,608,002	2.80%	4.50%
62 Contracted Services	5,996,252	7,037,142	9,828,452	39.67%	3.81%
63 Supplies and Materials	1,864,509	1,986,420	2,168,882	9.19%	0.84%
64 Other Operating Expenses	1,248,678	1,066,160	1,152,198	8.07%	0.45%
66 Capital Outlay	237,811	429,149	306,300	-28.63%	0.12%
Total Function 51	19,946,311	21,810,988	25,063,834	14.91%	9.72%

KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
GENERAL FUND**

BUDGET SUMMARY: 2015-2016

EXPENDITURE SUMMARY BY MAJOR OBJECT WITHIN FUNCTION-Continued

	<u>Actual Audited 2013-2014</u>	<u>Projected Actual 2014-2015</u>	<u>Adopted Budget 2015-2016</u>	<u>Percent Increase (Decrease)</u>	<u>Percent of Total</u>
52 Security and Monitoring Services					
61 Payroll Costs	790,808	879,059	911,911	3.74%	0.35%
62 Contracted Services	688,130	761,587	866,360	13.76%	0.34%
63 Supplies and Materials	219,602	158,351	236,466	49.33%	0.09%
64 Other Operating Expenses	8,955	11,376	16,150	41.97%	0.01%
66 Capital Outlay	127,785	117,646	127,500	8.38%	0.05%
Total Function 52	1,835,280	1,928,019	2,158,387	11.95%	0.84%
53 Data Processing Services					
61 Payroll Costs	1,239,010	1,481,283	1,494,027	0.86%	0.58%
62 Contracted Services	3,001,713	3,017,946	2,930,914	-2.88%	1.14%
63 Supplies and Materials	309,022	343,418	311,451	-9.31%	0.12%
64 Other Operating Expenses	25,333	55,359	74,029	33.73%	0.03%
66 Capital Outlay	33,141	60,584	-	-100.00%	0.00%
Total Function 53	4,608,219	4,958,590	4,810,421	-2.99%	1.87%
61 Community Services					
61 Payroll Costs	372,412	308,859	273,967	-11.30%	0.11%
62 Contracted Services	147,188	145,585	158,893	9.14%	0.06%
63 Supplies and Materials	62,217	66,832	57,172	-14.45%	0.02%
64 Other Operating Expenses	14,386	16,165	20,145	24.62%	0.01%
66 Capital Outlay	-	779,000	8,000	100.00%	0.00%
Total Function 61	596,203	1,316,441	518,177	-60.64%	0.20%
81 Facility Acquisition and Construction					
62 Contracted Services	-	37,300	62,000	66.22%	0.02%
63 Supplies and Materials	43,710	-	-	0.00%	0.00%
66 Capital Outlay	58,731	5,888	37,000	528.40%	0.01%
Total Function 81	102,441	43,188	99,000	129.23%	0.03%
93 Shared Services Arrangement					
62 Contracted Services	262,500	307,500	-	-100.00%	0.00%
64 Other Operating Expenses	3,162,622	2,572,712	-	-100.00%	0.00%
Total Function 93	3,425,122	2,880,212	-	-100.00%	0.00%
95 Juvenile Justice Alternative Education Programs					
62 Contracted Services	-	9,804	2,300	-76.54%	0.00%
Total Function 95	-	9,804	2,300	-76.54%	0.00%
97 Tax Increment Fund (TIF)					
64 Other Operating Expenses	2,055,966	2,294,948	2,623,317	14.31%	1.02%
Total Function 97	2,055,966	2,294,948	2,623,317	14.31%	1.02%
99 Transfers					
62 Contracted Services	1,068,490	1,153,257	1,209,301	4.86%	0.47%
Total Function 99	1,068,490	1,153,257	1,209,301	4.86%	0.47%
Total Expenditures	\$ 235,740,595	\$ 255,807,838	\$ 257,770,011	0.77%	100.00%

KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
GENERAL FUND
2015-2016 BUDGET
MAJOR OBJECT SUMMARY BY CAMPUS**

Organization	Payroll	Contracted Services	Supplies and Materials	Other Operating Expenses	Capital Outlay
	6100	6200	6300	6400	6600
001 Keller High	\$ 12,681,455	\$ 18,198	\$ 166,171	\$ 59,089	\$ -
002 Fossil Ridge High	12,512,271	7,657	146,938	70,614	-
004 Central High	12,581,695	11,854	143,301	88,767	-
005 Timber Creek High	14,521,953	12,590	179,331	94,449	-
039 Learning Center	1,642,468	11,805	42,260	19,332	-
Total High Schools	53,939,842	62,104	678,001	332,251	-
041 Keller Middle	4,014,083	2,224	52,601	15,314	-
042 Fossil Hill Middle	4,976,826	2,215	55,313	10,111	-
043 Hillwood Middle	5,128,462	2,000	55,314	23,860	-
044 Indian Springs Middle	4,706,881	367	58,989	13,399	-
045 Trinity Springs Middle	5,064,239	7,071	65,803	15,849	-
046 Timberview Middle	5,903,407	1,578	61,499	28,012	-
Total Middle Schools	29,793,898	15,455	349,519	106,545	-
104 Bear Creek Intermediate	4,075,913	1,200	56,104	17,022	-
107 Chisholm Trail Intermediate	4,528,093	950	54,155	15,214	-
114 Parkwood Hill Intermediate	4,754,497	5,994	71,833	15,678	-
115 South Keller Intermediate	3,210,926	1,328	38,761	11,248	-
123 Trinity Meadows Intermediate	4,407,124	1,980	67,814	7,584	-
Total Intermediate Schools	20,976,553	11,452	288,667	66,746	-
101 Keller-Harvel Elementary	2,418,937	5,400	25,672	2,230	-
102 Florence Elementary	2,628,184	3,200	21,657	4,226	-
103 Parkview Elementary	3,779,920	360	41,307	9,179	-
105 Whitley Road Elementary	2,896,841	450	29,854	3,906	-
106 Heritage Elementary	3,074,772	1,150	34,611	10,028	-
108 Shady Grove Elementary	2,687,165	2,200	23,279	9,302	-
109 Park Glen Elementary	2,956,054	-	36,192	5,290	-
110 Willis Lane Elementary	2,616,642	700	28,964	4,900	-
111 North Riverside Elementary	3,003,552	900	32,860	4,828	-
112 Hidden Lakes Elementary	2,664,592	300	25,783	3,825	-
113 Lone Star Elementary	3,712,233	1,500	44,727	14,339	-
116 Bluebonnet Elementary	3,114,729	150	44,468	4,934	-
117 Freedom Elementary	2,385,146	-	23,741	9,100	-
118 Bette Perot Elementary	3,103,721	-	43,290	6,975	-
119 Woodland Springs Elementary	2,835,821	-	41,774	3,180	-
120 Liberty Elementary	2,314,494	808	24,774	5,115	-
121 Independence Elementary	2,545,986	775	26,291	4,693	-
122 Friendship Elementary	2,831,433	-	40,696	5,500	-
124 Eagle Ridge Elementary	3,684,556	625	46,913	12,406	-
125 Caprock Elementary	4,061,311	410	56,876	7,001	-
126 Basswood Elementary	3,455,972	-	39,985	8,153	-
128 Early Learning Center North	3,575,516	375	21,877	5,920	-
129 Ridgeview Elementary	3,339,519	650	38,110	9,400	-
130 Sunset Valley Elementary	50,807	-	-	-	-
131 Early Learning Center South	50,807	-	-	-	-
Total Elementary Schools	69,788,710	19,953	793,701	154,430	-
Total Campus Costs	\$ 174,499,003	\$ 108,964	\$ 2,109,888	\$ 659,972	\$ -

KELLER ISD 2015-2016 BUDGET

GENERAL FUND

**FIVE YEAR SUMMARY OF REVENUES AND EXPENDITURES
YEARS ENDED AUGUST 31, 2012-AUGUST 31, 2016 (BUDGETED)**

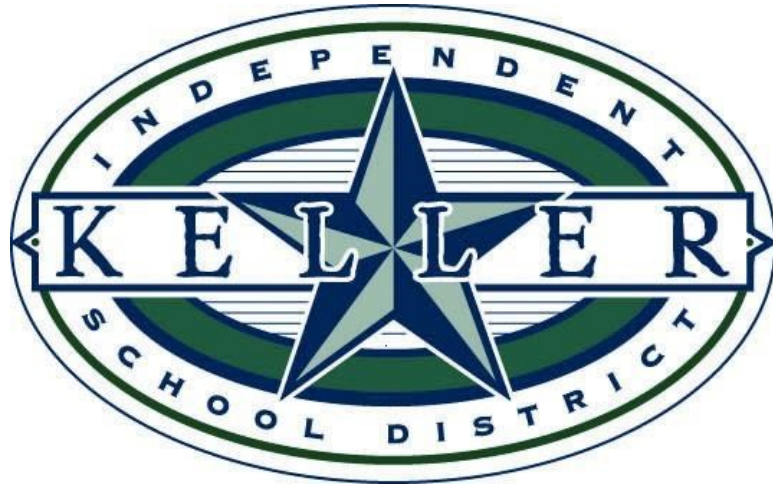
Revenues	Audited 2011-2012
Local Revenues	\$ 122,477,457
State Revenues	94,683,993
Federal Revenues	346,711
Total Revenues	217,508,161
Expenditures	
Instruction	124,322,850
Media Services (Library)	2,042,530
Curriculum and Staff Development	1,744,637
Instructional Leadership	1,749,503
School Leadership	12,474,734
Guidance, Counseling and Evaluation	7,365,218
Social Work Services	155,656
Health Services	2,282,194
Student Transportation	5,327,277
Food Services	-
Co/Extracurricular Activities	5,853,416
General Administration	5,019,367
Facility Maintenance and Operations	17,671,549
Security and Monitoring Services	1,046,033
Data Processing Services	4,588,417
Community Services	562,344
Facility Acquisition and Construction	1,316,799
Shared Services Arrangements	3,410,020
Juvenile Justice Alternative Education Programs	2,375
Tax Increment Fund (TIF)	1,732,427
Intergovernmental Charges	-
Total Expenditures	198,667,346
Excess (Deficiencies) Revenue over	
Other Resources	-
Other Uses	-
Total Other Financing Resources (Uses)	-
Excess (Deficiencies) of Revenue and Other Financial Resources Over Expenditures and Other Financial Uses	18,840,815
Fund Balance, beginning, 9/1	64,139,134
Fund Balance, ending, 8/31	\$ 82,979,949

KELLER ISD 2015-2016 BUDGET

GENERAL FUND

**FIVE YEAR SUMMARY OF REVENUES AND EXPENDITURES (Continued)
YEARS ENDED AUGUST 31, 2011-AUGUST 31, 2016 (BUDGETED)**

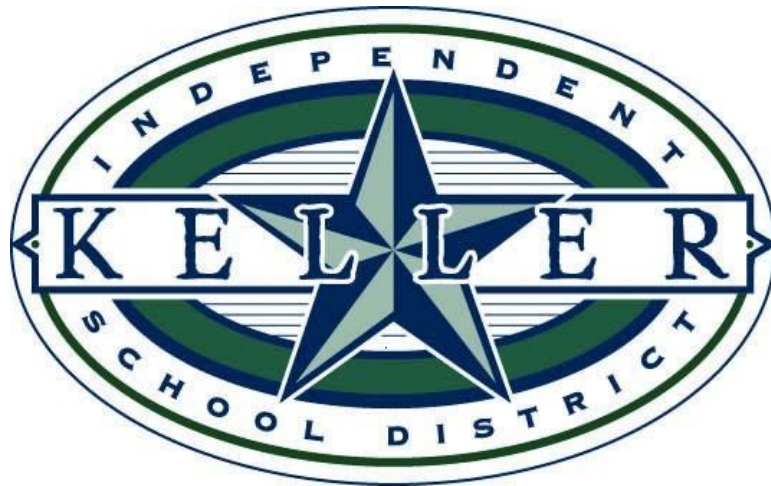
<u>Audited</u> <u>2012-2013</u>	<u>Audited</u> <u>2013-2014</u>	<u>Projected</u> <u>Actual</u> <u>2014-2015</u>	<u>Adopted</u> <u>Budget</u> <u>2015-2016</u>
\$ 121,132,398	\$ 126,533,645	\$ 135,939,321	\$ 146,654,935
90,958,923	105,325,844	106,842,417	96,942,490
598,641	1,980,757	3,222,267	3,125,000
<u>212,689,962</u>	<u>233,840,246</u>	<u>246,004,005</u>	<u>246,722,425</u>
137,181,022	147,117,681	159,010,945	160,492,622
3,003,067	3,240,690	3,402,039	3,398,135
1,827,345	2,746,903	3,918,155	4,041,615
1,970,633	2,290,194	2,682,952	2,933,090
13,603,614	15,100,413	15,681,001	15,942,718
7,488,510	8,456,356	10,082,753	9,874,346
202,973	148,189	182,849	179,983
2,659,587	2,712,241	2,937,578	3,157,091
5,685,113	6,807,163	6,653,341	7,231,723
-	3,196	2,665	7,000
6,877,682	8,435,536	8,615,806	7,289,887
5,332,388	5,044,001	6,242,307	6,737,064
19,154,666	19,946,311	21,810,988	25,063,834
1,573,179	1,835,280	1,928,019	2,158,387
4,348,035	4,608,219	4,958,590	4,810,421
660,173	596,203	1,316,441	518,177
1,015,164	102,441	43,188	99,000
2,793,151	3,425,122	2,880,212	-
-	-	9,804	2,300
1,973,187	2,055,966	2,294,948	2,623,317
-	1,068,490	1,153,257	1,209,301
<u>217,349,489</u>	<u>235,740,595</u>	<u>255,807,838</u>	<u>257,770,011</u>
-	-	-	2,000,000
-	-	-	-
-	-	-	<u>2,000,000</u>
(4,659,527)	(1,900,349)	(9,803,833)	(9,047,586)
<u>82,979,949</u>	<u>78,320,422</u>	<u>76,420,073</u>	<u>66,616,240</u>
<u>\$ 78,320,422</u>	<u>\$ 76,420,073</u>	<u>\$ 66,616,240</u>	<u>\$ 57,568,654</u>



KELLER ISD
Intentionally  Exceptional

Keller ISD Organizations





KELLER ISD
Intentionally  Exceptional

KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
ORGANIZATIONS**

High Schools

001 Keller High
002 Fossil Ridge High
004 Central High
005 Timber Creek High
039 Learning Center

Middle Schools

041 Keller Middle
042 Fossil Hill Middle
043 Hillwood Middle
044 Indian Springs Middle
045 Trinity Springs Middle
046 Timberview Middle

Intermediate Schools

104 Bear Creek Intermediate
107 Chisholm Trail Intermediate
114 Parkwood Hill Intermediate
115 South Keller Intermediate
123 Trinity Meadows Intermediate

Elementary Schools

101 Keller-Harvel Elementary
102 Florence Elementary
103 Parkview Elementary
105 Whitley Road Elementary
106 Heritage Elementary
108 Shady Grove Elementary
109 Park Glen Elementary
110 Willis Lane Elementary
111 North Riverside Elementary
112 Hidden Lakes Elementary
113 Lone Star Elementary
116 Bluebonnet Elementary
117 Freedom Elementary
118 Bette Perot Elementary
119 Woodland Springs Elementary
120 Liberty Elementary
121 Independence Elementary
122 Friendship Elementary
124 Eagle Ridge Elementary
125 Caprock Elementary
126 Basswood Elementary
128 Early Learning Center North
129 Ridgeview Elementary
130 Sunset Valley Elementary
131 Early Learning Center South

Departments

036 Athletics
701 Superintendent
702 Board of Trustees
737 Media Production
738 Payroll
739 Legal
740 Executive Director of Business Operations
741 Demographics
742 Communications
743 Chief Financial Officer
744 Purchasing
746 Risk Management
747 Instructional Materials
748 Human Resources
749 Finance
896 Natatorium
931 Behavior Intervention
932 Student Intervention
934 Transportation
935 Special Services
936 Special Education
937 Language Acquisition
938 Dyslexia
939 Fine Arts
940 Early Childhood Programs
941 Director of Curriculum & Instruction
942 Assessment
943 Guidance and Counseling
945 State and Federal Programs
946 Organizational Improvement
948 Chief Academic Officer
949 Technology
950 Facility Projects
951 Maintenance
952 Facility Services
953 Health Services
954 Child Nutrition
955 Library/Media Services
956 Career and Technology
957 Social Studies
958 Math
960 Science
961 AVID
964 Elementary Language Arts
965 Distribution Center
966 Fixed Assets
967 Advanced Academics

971 Chief Administrative Officer
973 PEIMS/Records Management
975 Safety and Security
976 Environmental Services
977 Facility Processes
997 High School Allotment
999 District Wide

KELLER ISD 2015-2016 BUDGET

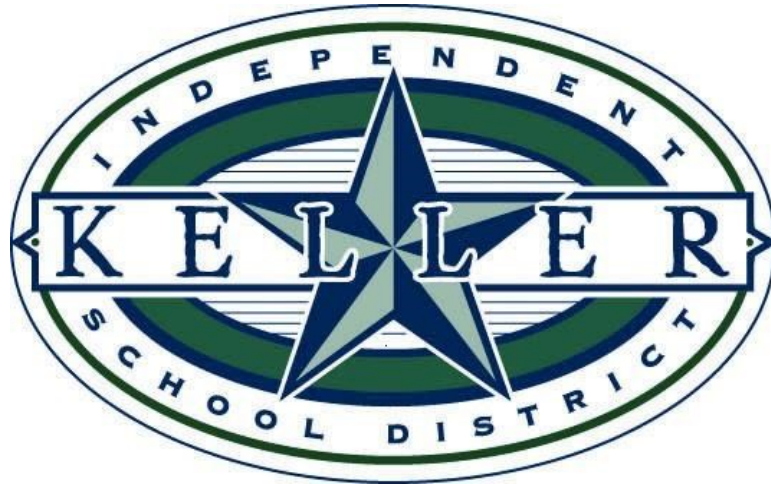
General Fund Budgets by Organization

Organization Name	Payroll	Contracted Services	Supplies and Materials	Other Operating Expenses	Capital Outlay	Total 2015-16
	6100	6200	6300	6400	6600	Budget
001 Keller High	12,681,455	18,198	166,171	59,089	0	12,924,913
002 Fossil Ridge High	12,512,271	7,657	146,938	70,614	0	12,737,480
004 Central High	12,581,695	11,854	143,301	88,767	0	12,825,617
005 Timber Creek High	14,521,953	12,590	179,331	94,449	0	14,808,323
036 Athletics	616,632	429,900	655,579	538,821	0	2,240,932
039 Keller Learning Center	1,642,468	11,805	42,260	19,332	0	1,715,865
041 Keller Middle	4,014,083	2,224	52,601	15,314	0	4,084,222
042 Fossil Hill Middle	4,976,826	2,215	55,313	10,111	0	5,044,465
043 Hillwood Middle	5,128,462	2,000	55,314	23,860	0	5,209,636
044 Indian Springs Middle	4,706,881	367	58,989	13,399	0	4,779,636
045 Trinity Springs Middle	5,064,239	7,071	65,803	15,849	0	5,152,962
046 Timberview Middle	5,903,407	1,578	61,499	28,012	0	5,994,496
101 Keller-Harvel Elementary	2,418,937	5,400	25,672	2,230	0	2,452,239
102 Florence Elementary	2,628,184	3,200	21,657	4,226	0	2,657,267
103 Parkview Elementary	3,779,920	360	41,307	9,179	0	3,830,766
104 Bear Creek Intermediate	4,075,913	1,200	56,104	17,022	0	4,150,239
105 Whitley Road Elementary	2,896,841	450	29,854	3,906	0	2,931,051
106 Heritage Elementary	3,074,772	1,150	34,611	10,028	0	3,120,561
107 Chisholm Trail Intermediate	4,528,093	950	54,155	15,214	0	4,598,412
108 Shady Grove Elementary	2,687,165	2,200	23,279	9,302	0	2,721,946
109 Park Glen Elementary	2,956,054	0	36,192	5,290	0	2,997,536
110 Willis Lane Elementary	2,616,642	700	28,964	4,900	0	2,651,206
111 North Riverside Elementary	3,003,552	900	32,860	4,828	0	3,042,140
112 Hidden Lakes Elementary	2,664,592	300	25,783	3,825	0	2,694,500
113 Lone Star Elementary	3,712,233	1,500	44,727	14,339	0	3,772,799
114 Parkwood Hill Intermediate	4,754,497	5,994	71,833	15,678	0	4,848,002
115 South Keller Intermediate	3,210,926	1,328	38,761	11,248	0	3,262,263
116 Bluebonnet Elementary	3,114,729	150	44,468	4,934	0	3,164,281
117 Freedom Elementary	2,385,146	0	23,741	9,100	0	2,417,987
118 Bette Perot Elementary	3,103,721	0	43,290	6,975	0	3,153,986
119 Woodland Springs	2,835,821	0	41,774	3,180	0	2,880,775
120 Liberty Elementary	2,314,494	808	24,774	5,115	0	2,345,191
121 Independence Elementary	2,545,986	775	26,291	4,693	0	2,577,745
122 Friendship Elementary	2,831,433	0	40,696	5,500	0	2,877,629
123 Trinity Meadows Intermediate	4,407,124	1,980	67,814	7,584	0	4,484,502
124 Eagle Ridge Elementary	3,684,556	625	46,913	12,406	0	3,744,500
125 Caprock Elementary	4,061,311	410	56,876	7,001	0	4,125,598
126 Basswood Elementary	3,455,972	0	39,985	8,153	0	3,504,110
128 Early Learning Center North	3,575,516	375	21,877	5,920	0	3,603,688
129 Ridgeview Elementary	3,339,519	650	38,110	9,400	0	3,387,679
130 Sunset Valley Elementary	50,807	0	0	0	0	50,807
131 Early Learning Center South	50,807	0	0	0	0	50,807

KELLER ISD 2015-2016 BUDGET

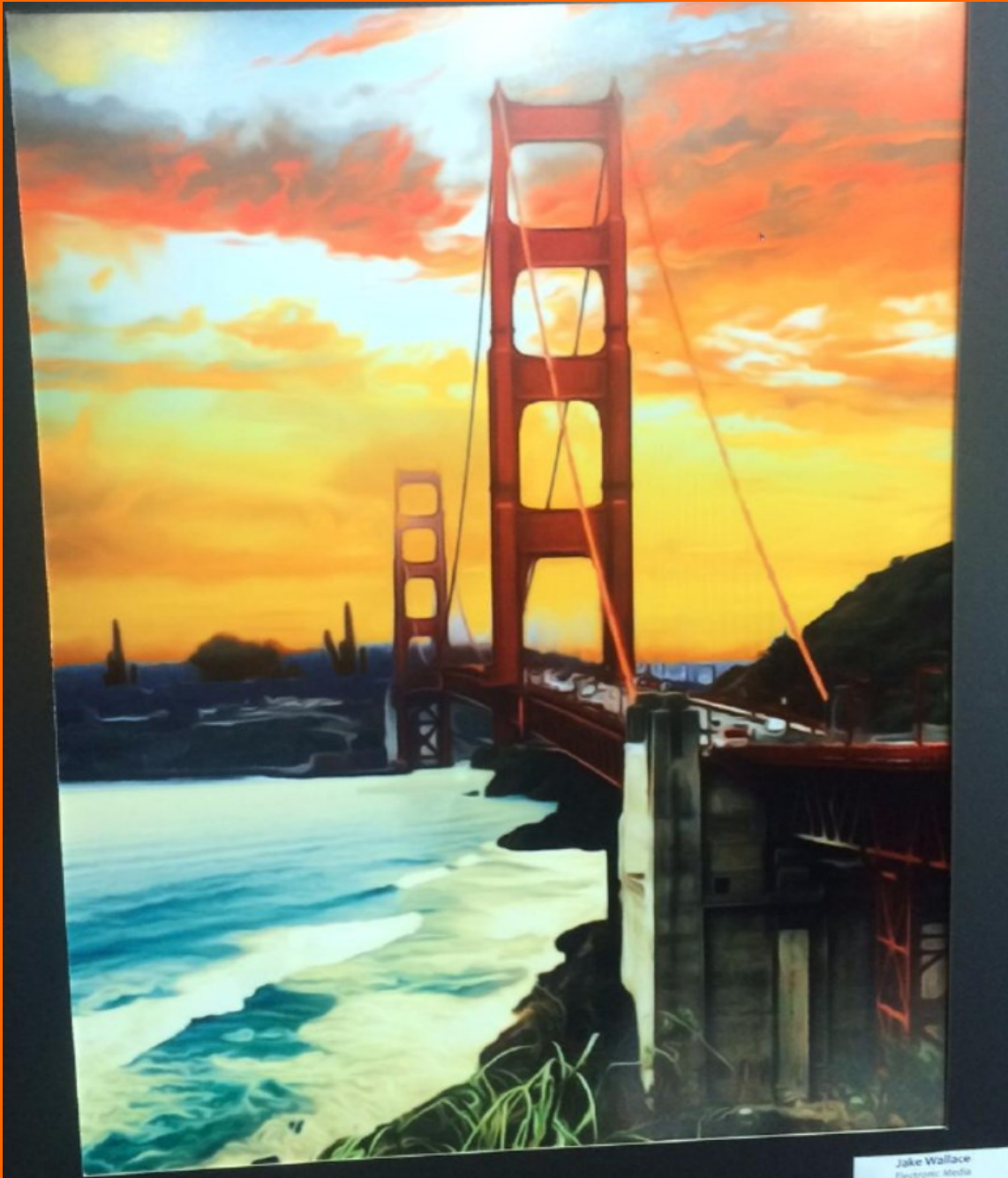
Budgets by Organization (continued)

Organization Name	Payroll	Contracted	Supplies	Other	Capital	Total
	6100	Services	and Materials	Operating	Outlay	2015-16
	6100	6200	6300	6400	6600	Budget
701 Superintendent	401,839	145,532	14,879	57,017	0	619,267
702 Board of Trustees	0	150	203	68,062	0	68,415
737 Media Production	179,508	0	13,508	2,259	0	195,275
738 Payroll	294,566	41,703	50,942	10,733	0	397,944
739 Legal	234,671	156,050	2,606	7,150	0	400,477
740 Executive Director of Business Operations	253,765	94,070	53,248	3,650	0	404,733
741 Demographics	30,187	45,000	10,122	3,150	0	88,459
742 Communications	362,226	5,675	151,611	20,277	0	539,789
743 Chief Financial Officer	219,653	1,684	3,755	28,985	0	254,077
744 Purchasing	385,677	37,450	9,598	17,500	0	450,225
746 Risk Management	21,211	0	0	1,058,538	0	1,079,749
747 Instructional Materials	42,399	12,659	11,580	5,589	0	72,227
748 Human Resources	864,320	723,960	30,579	253,872	0	1,872,731
749 Finance	914,934	1,426,243	55,251	267,014	0	2,663,442
896 Natatorium	252,673	187,485	55,352	11,095	8,000	514,605
931 Behavior Intervention	1,164	24,883	14,100	34,900	0	75,047
932 Student Intervention	213,413	25,475	33,204	19,500	0	291,592
934 Transportation	0	6,358,505	801,318	0	0	7,159,823
935 Special Services	0	2,000	41,249	20,672	0	63,921
936 Special Education	3,253,280	33,400	7,147	47,650	0	3,341,477
937 Language Acquisition	354,775	22,361	236,391	51,626	0	665,153
938 Dyslexia	293,890	46,363	119,725	12,100	0	472,078
939 Fine Arts	316,864	391,145	593,608	142,026	0	1,443,643
940 Early Childhood Programs	119,554	0	2,132	1,951	0	123,637
941 Director of Curriculum and Instruction	359,179	72,706	13,440	36,174	0	481,499
942 Assessment	462,878	66,590	122,454	4,954	0	656,876
943 Guidance and Counseling	1,153,104	15,600	104,388	51,800	0	1,324,892
945 State and Federal Programs	1,027,289	90,000	59,150	5,800	0	1,182,239
946 Organizational Improvement	753,901	16,057	126,839	25,340	0	922,137
948 Chief Academic Officer	510,540	542,159	825,181	51,351	0	1,929,231
949 Technology	1,441,996	6,532,525	966,688	78,559	46,098	9,065,866
950 Facility Projects	1,031,850	189,700	222,800	2,100	69,000	1,515,450
951 Maintenance	2,351,103	606,000	934,100	7,500	65,000	3,963,703
952 Facility Services	7,493,536	41,000	807,245	6,000	162,000	8,509,781
953 Health Services	2,955,984	8,000	144,005	28,000	0	3,135,989
955 Library/Media Services	41,468	4,000	176,843	17,917	0	240,228
956 Career and Technology	294,969	289,050	557,361	142,750	0	1,284,130
957 Social Studies Coordinator	132,303	8,800	2,300	3,265	0	146,668
958 Math Coordinator	320,530	29,500	36,641	11,500	0	398,171
960 Science Coordinator	91,561	20,000	9,540	5,000	0	126,101
961 AVID Coordinator	80,927	0	1,150	1,525	0	83,602
964 Elementary Language Arts Coordinator	201,863	20,000	30,450	12,902	0	265,215
965 Distribution Center	410,589	52,536	16,835	970	0	480,930
966 Fixed Assets	7,209	3,000	4,230	0	0	14,439
967 Coordinator Advanced Academics	126,514	3,000	18,500	19,740	0	167,754
971 Chief Administrative Officer	895,400	200,050	33,130	106,490	0	1,235,070
973 PEIMS/Record Management	262,779	600	2,485	10,655	0	276,519
975 Safety and Security	399,957	1,144,232	245,580	37,490	132,800	1,960,059
976 Environmental Services	211,183	7,885,481	95,729	1,200	0	8,193,593
977 Facility Processes	0	55,200	67,100	51,400	42,000	215,700
997 High School Allotment	148,440	140,000	147,298	166,725	0	602,463
999 District Wide	3,891,844	0	0	2,623,317	0	6,515,161
	211,185,100	28,356,443	10,849,037	6,854,533	524,898	257,770,011

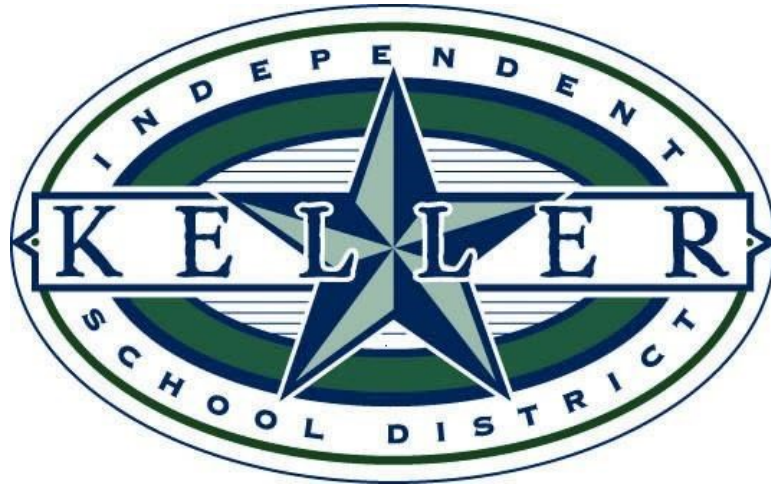


KELLER ISD
Intentionally  Exceptional

Debt Service Fund



Jake Wallace
Electronic Media
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DEBT SERVICE FUND OVERVIEW

The Debt Service Fund accounts for payments of principal, interest, and related fees on the District's General Obligation bonds. Under Texas Law, only these Debt Service payments can be charged to this fund. A majority of funding is derived from a designated allocation of the property tax rate. Current requirements for principal and interest expenditures are accounted for in the Debt Service Fund. Proceeds of long-term issues are reflected as "Other Resources" in the operating statement of the recipient fund.

DEBT SERVICE EXPENDITURES

The debt service budget consists of the following amounts: \$18,517,572 for bond principal payments, \$45,736,853 for bond interest payments, and \$50,000 for paying agent fees. Detailed Debt Service requirements are located within this section of the budget document.

The District continues to retire existing debt at a steady pace, but continued enrollment growth has required issuance of new debt at a similar pace. Although enrollment has slowed, District personnel continually work with the community through the Citizens Bond Advisor Committee to review the facility needs of the District. This Board-appointed committee makes recommendations to the Board of Trustees for needs that will be addressed through additional debt issuance, while minimizing the financial impact on the taxpayer. Although the District issued School Building Bonds in 2015, new construction is expected to slow significantly after 2017. Fewer bonds will be sold, and the district's annual debt requirements will decrease as well. This would eventually lead to decreases in the debt service portion of the tax rate.

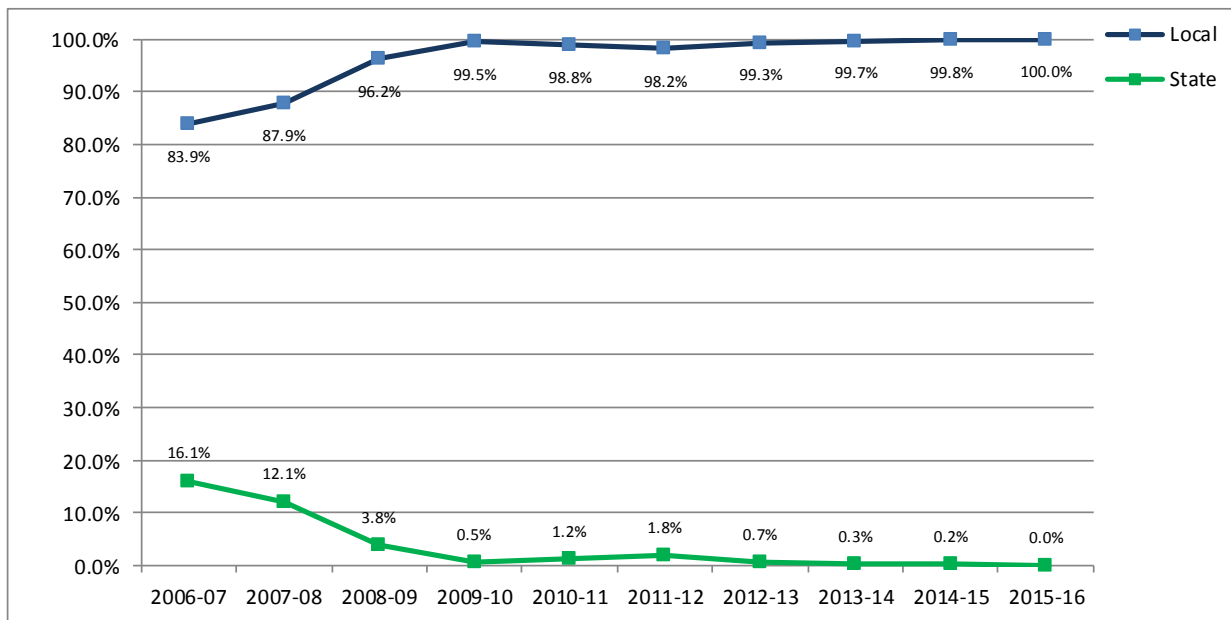
For 2015-16, the Debt Service remains at \$0.500 per \$100 valuation for the fifth consecutive year.

KELLER ISD 2015-2016 BUDGET

Debt Service is a major area of cost due to the District's building program which is primarily financed by the sale of general obligation bonds. The ratio of bonds payable to assessed value for the District was 5.61% at August 31, 2015.

The following graph depicts the change in Keller ISD's Debt Service Fund revenue sources, 2007-2016. The district has derived increasing amounts of revenue from local sources as state revenue declines. The Existing Debt Allotment (EDA and the Instructional Facilities Allotment (IFA) were eliminated by the State for the 2015-16 year; therefore, the State no longer contributes any revenue to the Debt Service Fund of KISD.

DEBT SERVICE REVENUE SOURCES

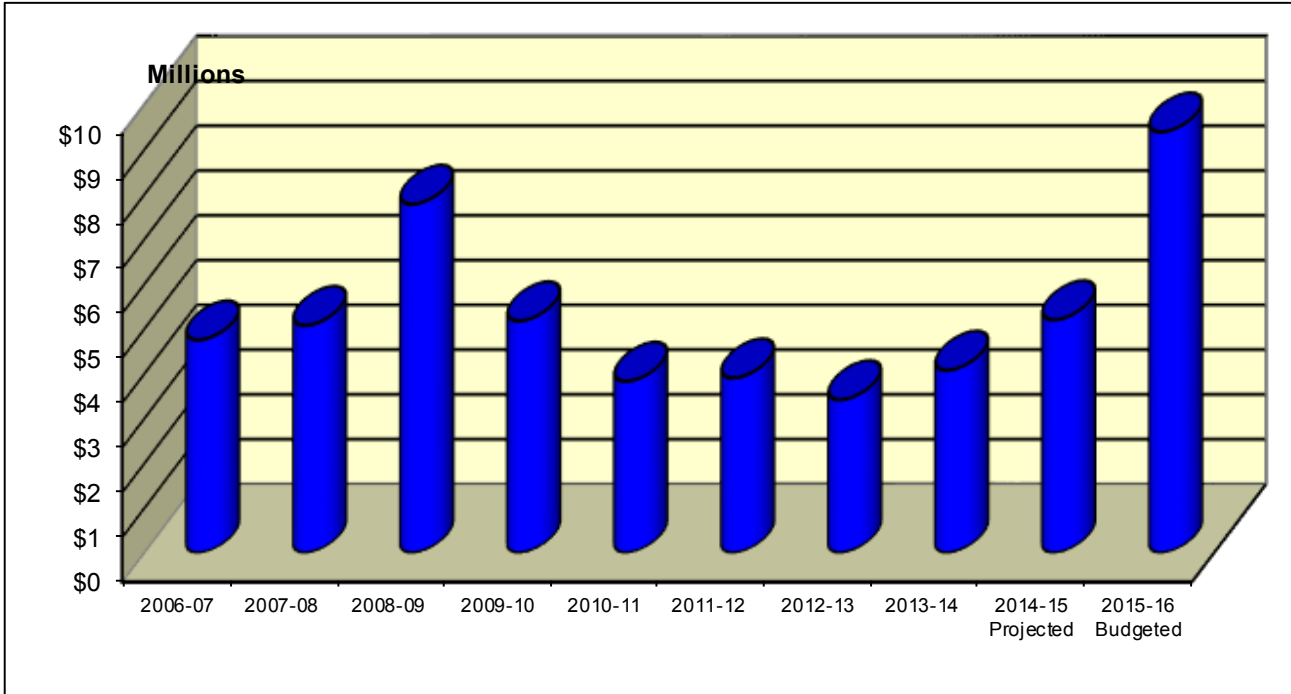


<u>Year</u>	<u>Local</u>	<u>State</u>	<u>Federal</u>
2006-07	25,867,344	4,953,187	0
2007-08	30,869,545	4,264,854	0
2008-09	39,442,048	1,542,827	0
2009-10	48,779,858	261,674	0
2010-11	53,214,975	638,097	0
2011-12	55,909,665	1,052,689	0
2012-13	56,582,160	384,652	0
2013-14	59,557,384	175,493	0
2014-15	64,083,502	117,988	0
2015-16	68,497,805	0	0

KELLER ISD 2015-2016 BUDGET

The graph below indicates the Debt Service budgeted fund balance at the end of each fiscal year from 2006-07 to 2013-14 and a projection of the budgeted fund balance for the 2014-15 and the 2015-16 budget years. Again, the significant increase in fund balance projected for the 2015-16 year is the result of a 6% increase in property values coupled with decreased principal and interest requirements.

DEBT SERVICE FUND BALANCE



Year	Budgeted Fund Balance
2006-07	4,741,309
2007-08	5,066,051
2008-09	7,771,284
2009-10	5,167,382
2010-11	3,820,031
2011-12	3,892,876
2012-13	3,406,682
2013-14	4,066,315
2014-15 Projected	5,192,146
2015-16 Budgeted	9,385,526

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KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
DEBT SERVICE FUND**

**FIVE YEAR SUMMARY OF REVENUES AND EXPENDITURES
YEARS ENDED AUGUST 31, 2012 - AUGUST 31, 2016 (BUDGETED)**

	<u>Audited 2011-12</u>	<u>Audited 2012-13</u>	<u>Audited 2013-14</u>	<u>Projected Actual 2014-15</u>	<u>Adopted Budget 2015-16</u>
Revenue					
Local Sources	\$ 55,909,665	\$ 56,582,160	\$ 59,557,384	\$ 64,083,502	\$ 68,497,805
State Sources	1,052,689	384,652	175,493	117,988	-
Total Revenues	<u>56,962,354</u>	<u>56,966,812</u>	<u>59,732,877</u>	<u>64,201,490</u>	<u>68,497,805</u>
Expenditures					
Debt Service	56,974,733	58,408,156	59,297,515	69,833,347	64,304,425
Total Expenditures	<u>56,974,733</u>	<u>58,408,156</u>	<u>59,297,515</u>	<u>69,833,347</u>	<u>64,304,425</u>
Revenue Over (Under) Expenditures	<u>(12,379)</u>	<u>(1,441,344)</u>	<u>435,362</u>	<u>(5,631,857)</u>	<u>4,193,380</u>
Other Financing Resources (Uses)					
Other Resources	2,910,974	100,689,802	49,295,068	324,970,718	-
Other Uses	(2,825,750)	(99,734,652)	(49,070,797)	(318,213,030)	-
Total Other Financing Resources (Uses)	<u>85,224</u>	<u>955,150</u>	<u>224,271</u>	<u>6,757,688</u>	<u>-</u>
Revenues and Other Resources Over (Under) Expenditures	<u>72,845</u>	<u>(486,194)</u>	<u>659,633</u>	<u>1,125,831</u>	<u>4,193,380</u>
Beginning Fund Balance, 9/1	3,820,031	3,892,876	3,406,682	4,066,315	5,192,146
Ending Fund Balance, 8/31	<u>\$ 3,892,876</u>	<u>\$ 3,406,682</u>	<u>\$ 4,066,315</u>	<u>\$ 5,192,146</u>	<u>\$ 9,385,526</u>

KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
DEBT SERVICE FUND BOND SCHEDULE**

Description	Interest Rate Payable	Amounts Original Issue	Amount Outstanding 9/1/2014	Issued Current Year	Retired Current Year
Unlimited Tax School Building Bonds	3.60%	59,539,931	12,033,943	-	319,242
Bonds Series 1996A	to 5.90%				
Unlimited Tax School Building Bonds	3.85%	29,698,013	4,019,995	-	-
Bonds Series 1997A	to 6.00%				
Unlimited Tax School Building Bonds	4.00%	30,190,000	40,002	-	40,002
Bonds Series 1999	to 4.90%				
Unlimited Tax Refunding Bonds	4.75%	98,339,961	44,330,000	-	44,330,000
Bonds Series 2005	to 5.00%				
Unlimited Tax School Building and Refunding B	4.00%	117,165,000	12,940,000	-	12,940,000
Bonds Series 2005A	to 5.00%				
Unlimited Tax School Refunding Bonds	4.00%	89,844,973	87,419,973	-	335,000
Bonds Series 2006	to 5.00%				
Unlimited Tax School Refunding Bonds	4.00%	64,749,980	63,928,392	-	1,566
Bonds Series 2006A	to 4.60%				
Unlimited Tax School Refunding Bonds	4.00%	136,470,000	132,045,000	-	126,220,000
Bonds Series 2007	to 5.00%				
Unlimited Tax School Refunding Bonds	4.39%	142,299,951	122,069,951	-	116,724,413
Bonds Series 2009	to 5.00%				
Unlimited Tax School Refunding Bonds	3.00%	11,199,999	6,875,000	-	1,975,000
Bonds Series 2009	to 4.63%				
Unlimited Tax School Refunding Bonds	3.50%	22,419,992	22,356,143	-	4,846
Bonds Series 2009A	to 4.50%				
Unlimited Tax School Refunding Bonds	2.00%	8,389,999	7,470,000	-	180,000
Bonds Series 2010	to 4.125%				
Unlimited Tax School Refunding Bonds	2.00%	9,370,000	8,355,000	-	580,000
Bonds Series 2011	to 4.00%				
Unlimited Tax School Refunding Bonds	2.55%	2,710,000	2,710,000	-	-
Bonds Series 2012	to 2.74%				
Unlimited Tax School Refunding Bonds	2.00%	4,339,998	4,339,998	-	-
Bonds Series 2012A	to 3.00%				
Unlimited Tax School Refunding Bonds	1.50%	81,080,000	81,080,000	-	-
Bonds Series 2013	to 5.00%				
Unlimited Tax School Refunding Bonds		45,650,000	45,350,000	-	-
Bonds Series 2014					
Unlimited Tax Building Bonds	1.00%	153,875,000	-	153,875,000	5,000,000
Bonds Series 2015	to 5.00%				
Unlimited Tax School Refunding Bonds	2.00%	98,675,000	-	98,675,000	1,505,000
Bonds Series 2015	to 5.00%				
Unlimited Tax School Refunding Bonds	4.00%	116,577,588	-	116,577,588	1,272,959
Bonds Series 2015A	to 5.00%				
Unlimited Tax School Refunding Bonds	2.00%	56,565,000	-	56,565,000	400,000
Bonds Series 2014A	to 5.00%				
Total Bonded Indebtedness			\$ 657,363,397	\$ 425,692,588	\$ 311,828,028

KELLER ISD 2015-2016 BUDGET

DEBT SERVICE FUND BOND SCHEDULE

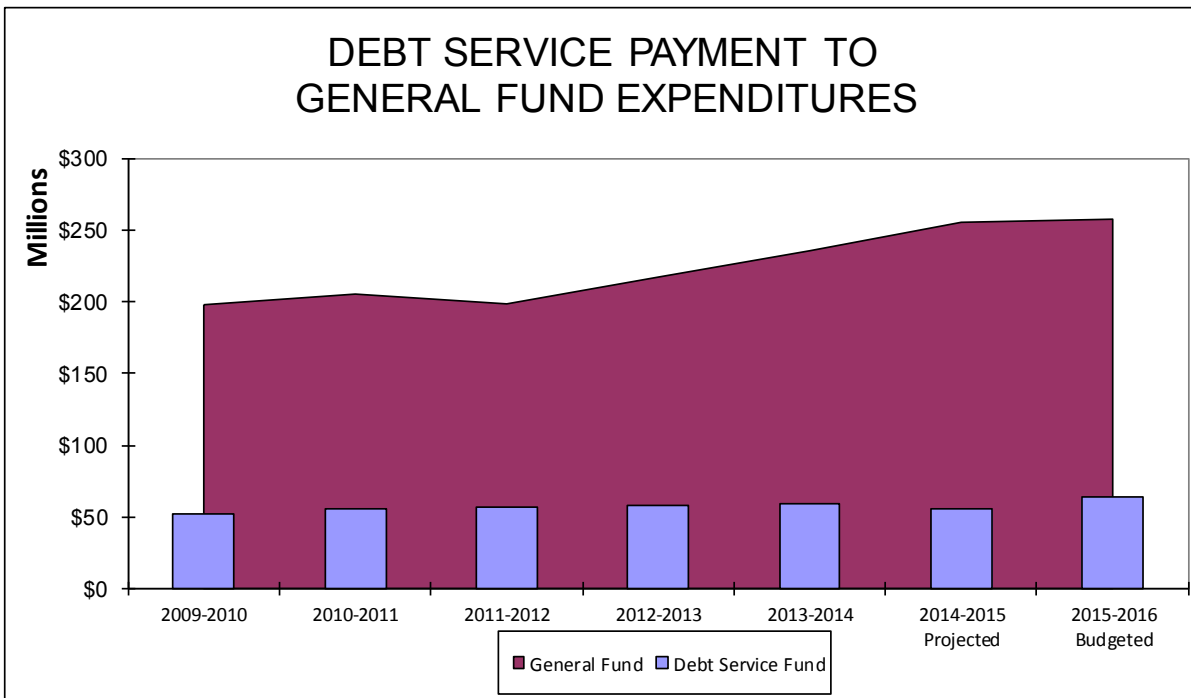
Amount Outstanding 8/31/2015	Requirements				9/1/2016 To Maturity Interest
	Year Ending 8/31/2016		Year Ending 8/31/2017		
	Principal	Interest	Principal	Interest	
\$ 11,714,701	650,933	7,924,067	2,496,526	6,078,475	39,750,299
\$ 4,019,995	-	241,200	-	241,200	1,663,200
\$ -	-	-	-	-	-
\$ -	-	-	-	-	-
\$ -	-	-	-	-	-
\$ 87,084,973	335,000	4,178,475	365,000	4,163,600	47,693,842
\$ 63,926,826	4,330	3,716,334	2,494	3,715,664	36,313,733
\$ 5,825,000	2,800,000	291,250	3,025,000	151,250	442,500
\$ 5,345,538	16,972	2,472,529	8,567	2,565,933	5,281,512
\$ 4,900,000	655,000	189,075	680,000	164,863	843,206
\$ 22,351,297	9,855	1,098,355	9,585	1,103,625	12,799,730
\$ 7,290,000	245,000	275,931	255,000	269,362	2,823,622
\$ 7,775,000	650,000	297,850	665,000	278,350	2,044,800
\$ 2,710,000	-	94,850	-	94,850	1,405,250
\$ 4,339,998	4,998	423,552	30,000	128,550	1,677,552
\$ 81,080,000	965,000	3,529,125	2,100,000	3,514,650	33,820,975
\$ 45,350,000	5,870,000	1,659,270	6,150,000	1,443,606	8,747,975
\$ 148,875,000	5,450,000	6,169,125	5,760,000	6,060,125	121,662,650
\$ 97,170,000	465,000	4,815,900	470,000	4,806,600	71,400,200
\$ 115,304,629	380,485	5,764,565	92,300	6,052,750	80,108,096
\$ 56,165,000	-	2,595,400	-	2,595,400	23,830,250
\$ 771,227,957	\$ 18,502,573	\$ 45,736,853	\$ 22,109,472	\$ 43,428,853	\$ 492,309,392

DEBT SERVICE PAYMENT COMPARED TO GENERAL FUND EXPENDITURES

The graph below depicts a comparison of the Keller ISD’s General Fund expenditures and the Debt Service expenditures. Between 2005 and 2012, the district opened fourteen campuses. Nine of these campuses were elementary schools, one intermediate school, two middle schools, one high school and an Early Learning Center. During this period the rate of increase of debt service expenditures far exceeded the rate of increase for general fund expenditures. The fact that the general fund expenditures to open and operate these campuses increased at a much lesser rate than debt service expenditures attests to the District’s efficiency in managing their resources.

The rate of increase in general fund expenditures is greater than that for debt service beginning in 2012-13 and continued to be greater through the 2014-15 as well. No campuses were opened during these years, but general fund expenditures increased mainly due to pay raises.

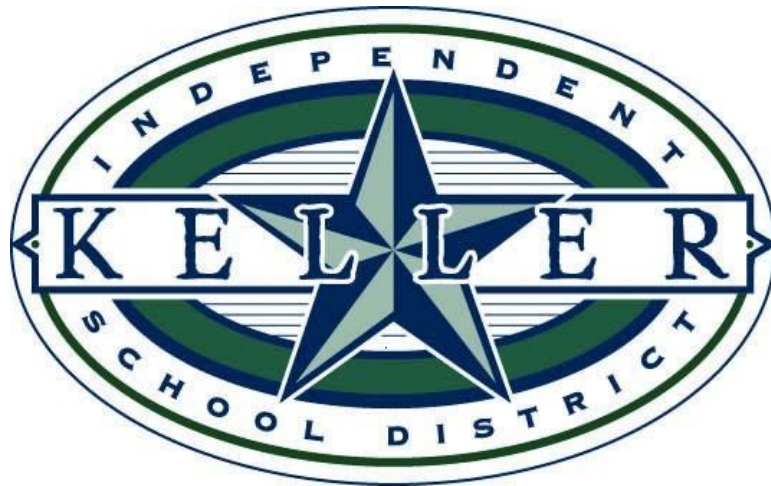
The rate of increase in general fund expenditures is budgeted to increase by only .84% over the 2014-2015 projected actual. The rate of increase in the Debt service fund is budgeted to increase by 16.5% over the 2014-2015 projected actual, due to bonds issued in 2015.



Year	General Fund		Debt Service Fund	
	General Fund	% Increase Over Prior Year	Debt Service	% Increase Over Prior Year
2009-2010	198,073,529	-0.04%	52,109,811	16.81%
2010-2011	205,495,730	3.75%	55,371,826	6.26%
2011-2012	198,667,346	-3.32%	56,974,733	2.89%
2012-2013	217,349,489	9.40%	58,408,156	2.52%
2013-2014	235,740,595	8.46%	59,297,515	1.52%
2014-2015 Projected	255,591,775	8.42%	55,198,155	-6.91%
2015-2016 Budgeted	257,770,011	0.85%	64,304,425	16.50%

Child Nutrition Fund





KELLER ISD
Intentionally  Exceptional

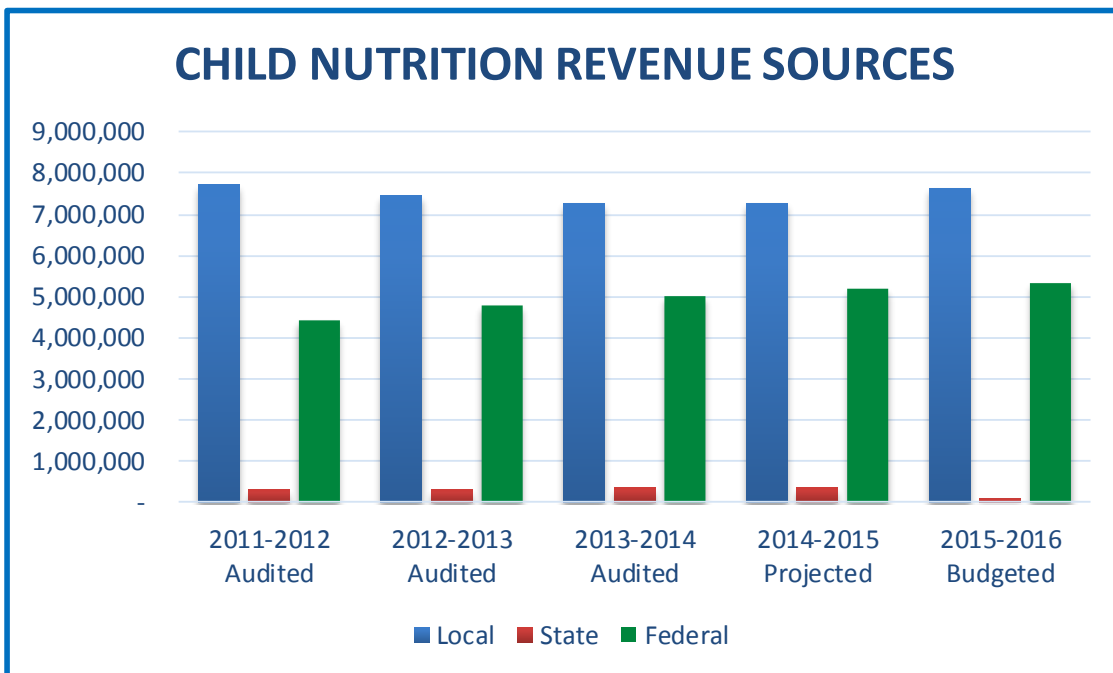
CHILD NUTRITION SPECIAL REVENUE FUND OVERVIEW

The District’s food service operations are accounted for in the Child Nutrition Special Revenue Fund. Although Special Revenue Funds are generally not included in the annual budget adopted by the Board of Trustees, the TEA regulations require inclusion of the Child Nutrition Fund. Approximately 40.74% of the projected 2015-16 revenue in this fund is received from the United States Department of Agriculture (USDA) under the National School Lunch Program, the School Breakfast Program, and the Food Distribution Program. Less than 1% is generated from state sources, and the remaining revenue (58.7%) is primarily generated from user fees – i.e. student payments for meals.

Child Nutrition expenditures for 2015-16 consist of payroll (36%), contracted services (63.23%), which includes payment for management services and food and commodities, other operating expenditures (.09%) and supplies and materials (.67%). Capital Outlay is budgeted to decrease by 100% due to the completion of major projects during the 2014-15 year.

The District began using an outside vendor to manage the Child Nutrition program in the 2003-04 fiscal year. The current provider is Sodexo, Inc. Fund balance has increased from \$1,306,903 at August 31, 2003 to a projected budgeted balance of \$2,609,394 at August 31, 2015, an increase of \$1,302,491.

The budgeted ending fund balance for 2015-16 is projected to be \$3,459,394, which is an increase from 2014-15 of \$850,000. This increase is due to guaranteed income from the District’s food service management company.



Year	Local	State	Federal
2011-2012 Audited	7,715,387	320,154	4,417,830
2012-2013 Audited	7,461,105	334,015	4,794,878
2013-2014 Audited	7,281,195	375,242	4,993,755
2014-2015 Projected	\$ 7,288,110	344,988	5,179,152
2015-2016 Budgeted	\$ 7,652,087	71,413	5,310,607

KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
CHILD NUTRITION FUND**

**FIVE YEAR SUMMARY OF REVENUES AND EXPENDITURES
YEARS ENDED AUGUST 31, 2012—AUGUST 31, 2016 (ADOPTED BUDGET)**

	Audited 2011-2012	Audited 2012-2013	Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016
Revenues					
Local sources	\$ 7,715,387	\$ 7,461,105	\$ 7,281,195	\$ 7,288,110	\$ 7,652,087
State sources	320,154	334,015	375,242	344,988	71,413
Federal sources	4,417,830	4,794,878	4,993,755	5,179,152	5,310,607
Total Revenues	12,453,371	12,589,998	12,650,192	12,812,250	13,034,107
Expenditures					
Food Services	11,502,531	12,180,513	12,895,997	13,746,203	12,184,107
Facility Acquisition and Construction	-	483,422	901,075	-	-
Total Expenditures	11,502,531	12,663,935	13,797,072	13,746,203	12,184,107
Revenues Over Expenditures	950,840	(73,937)	(1,146,880)	(933,953)	850,000
Fund Balance beginning, 9/1	3,813,324	4,764,164	4,690,227	3,543,347	2,609,394
Fund Balance ending, 8/31	\$ 4,764,164	\$ 4,690,227	\$ 3,543,347	\$ 2,609,394	\$ 3,459,394

KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
CHILD NUTRITION FUND**

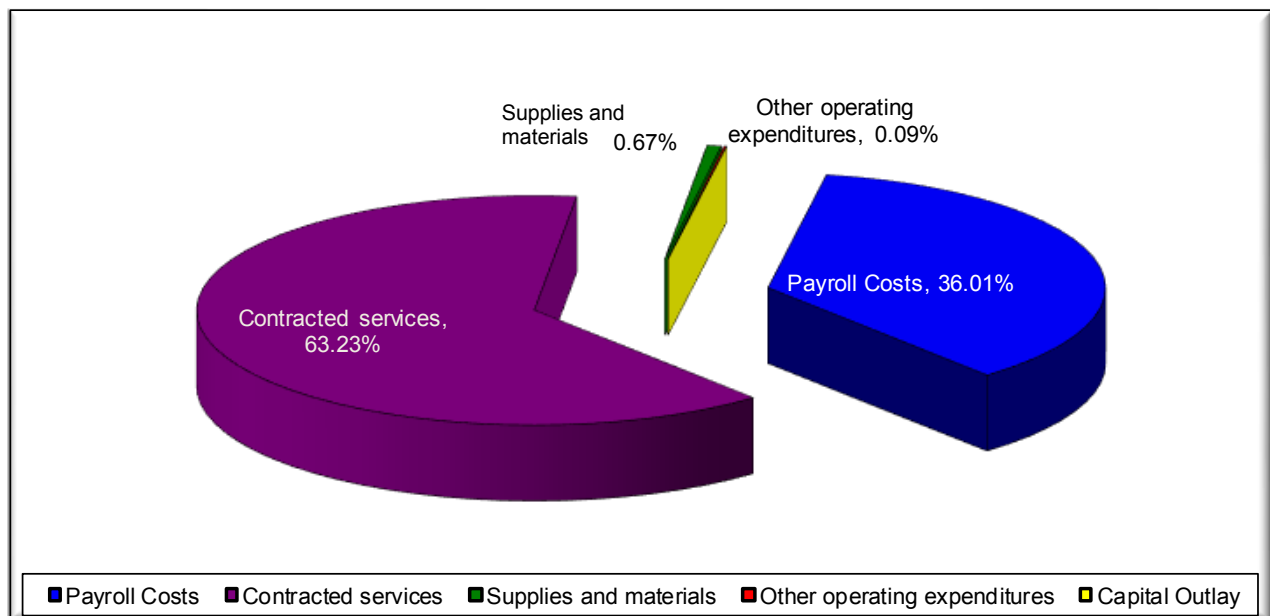
BUDGET SUMMARY: 2015-2016

REVENUE AND EXPENDITURE SUMMARY BY MAJOR OBJECT

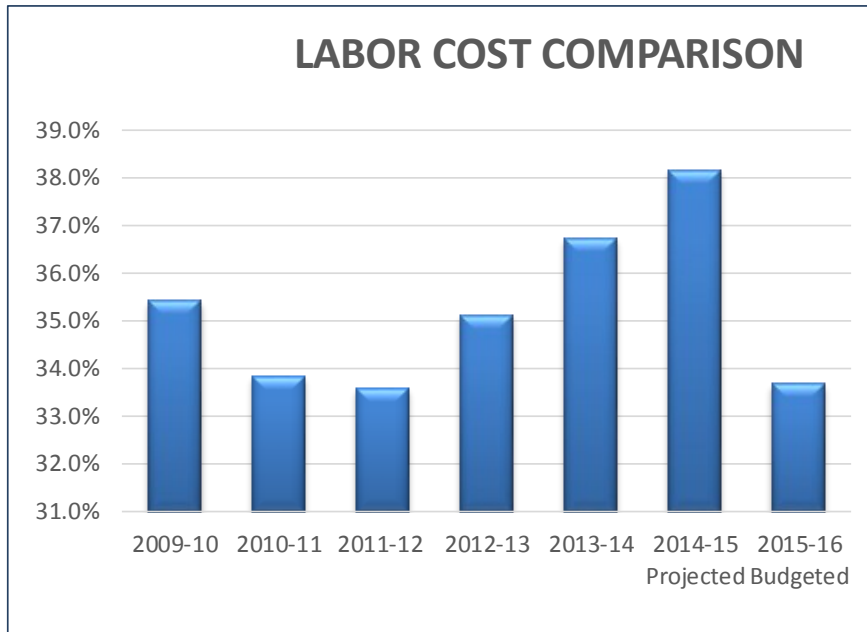
	<u>Audited 2012-2013</u>	<u>Audited 2013-2014</u>	<u>Projected Actual 2014-2015</u>	<u>Adopted Budget 2015-2016</u>	<u>Percent of Total</u>
Revenues					
Local sources	\$ 7,461,105	\$ 7,281,195	\$ 7,288,110	\$ 7,652,087	58.71%
State sources	334,015	375,242	344,988	71,413	0.55%
Federal sources	<u>4,794,878</u>	<u>4,993,755</u>	<u>5,179,152</u>	<u>5,310,607</u>	<u>40.74%</u>
Total Revenues	<u>12,589,998</u>	<u>12,650,192</u>	<u>12,812,250</u>	<u>13,034,107</u>	<u>100.00%</u>
Expenditures by object					
Payroll Costs	4,419,804	4,644,549	4,887,610	4,387,163	36.00%
Contracted services	7,285,420	7,444,628	7,395,556	7,703,859	63.23%
Supplies and materials	192,357	375,013	969,998	82,085	0.67%
Other operating expenditures	7,762	9,065	9,914	11,000	0.10%
Capital Outlay	<u>758,592</u>	<u>1,323,817</u>	<u>483,125</u>	<u>-</u>	<u>0.00%</u>
Total Expenditures	<u>12,663,935</u>	<u>13,797,072</u>	<u>13,746,203</u>	<u>12,184,107</u>	<u>100.00%</u>
Excess of Revenues Over Expenditures	<u>\$ (73,937)</u>	<u>\$ (1,146,880)</u>	<u>\$ (933,953)</u>	<u>\$ 850,000</u>	

The graph below depicts the Child Nutrition expenditure budget for 2015-2016 by Major Object.

CHILD NUTRITION BUDGET EXPENDITURE SUMMARY



**CHILD NUTRITION FUND
Labor Cost COMPARISON**



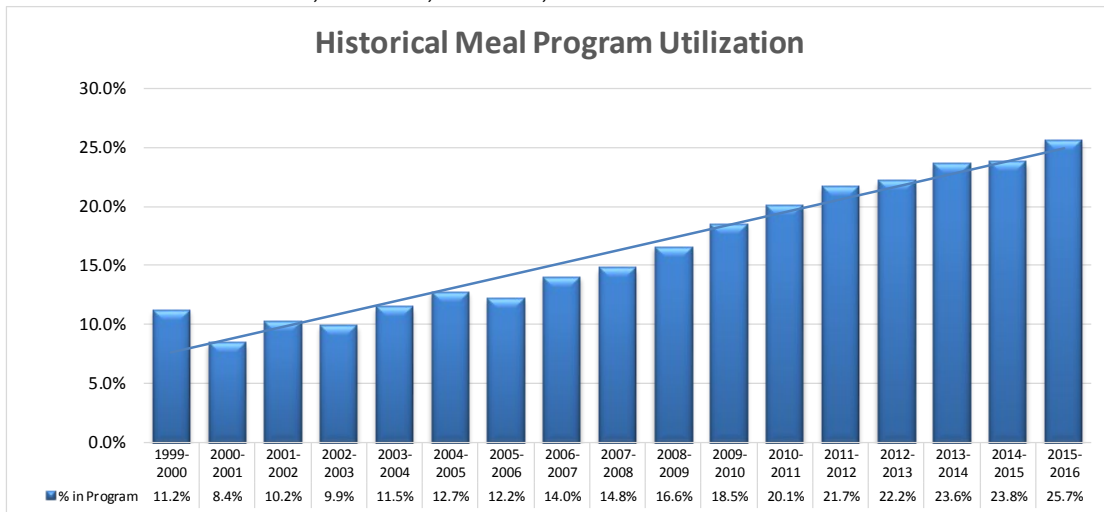
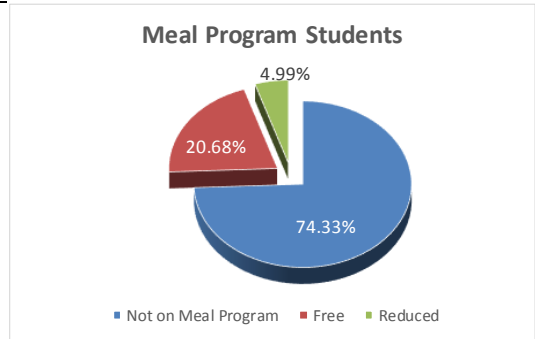
Year	Revenue	Labor Costs	Percentage
2009-10	11,296,372	4,000,245	35.4%
2010-11	12,293,108	4,157,042	33.8%
2011-12	12,453,371	4,181,315	33.6%
2012-13	12,589,998	4,419,804	35.1%
2013-14	12,650,192	4,644,549	36.7%
2014-15 Projected	12,812,250	4,887,610	38.1%
2015-16 Budgeted	13,034,107	4,387,163	33.7%

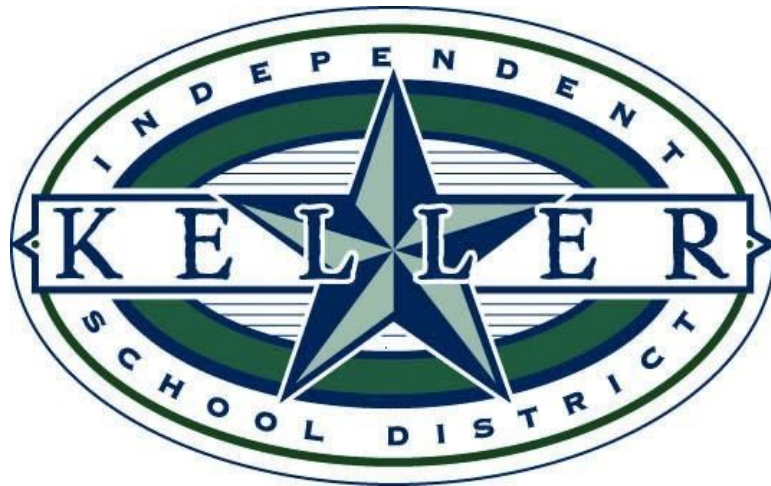
The above graph illustrates the labor costs over seven years as a percentage of revenue. As demonstrated by the graph, 2015-16 labor costs are projected to be approximately 33.7% of total budgeted revenue. Revenue is projected to increase in 2015-2016 from the prior year by 1.73%, due mainly to higher program participation, while labor costs are expected to decrease by 10.24%.

KELLER ISD 2015-2016 BUDGET

Child Nutrition Fund
Meal Program Students by Campus

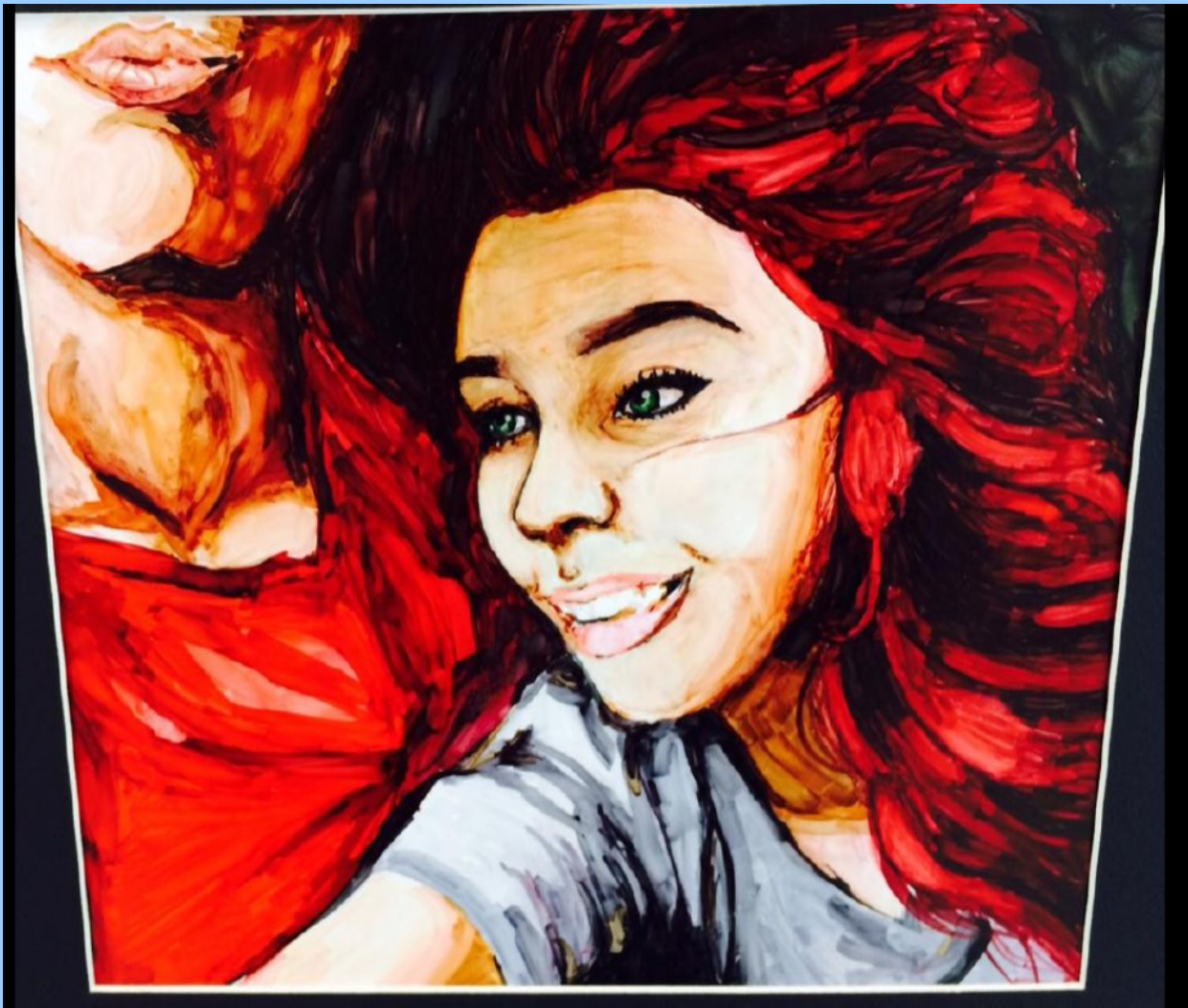
2015-2016 Campus	Free	Reduced	Number in Program	Percent Meal Program Students
1 Keller High	139	27	166	5.96%
2 Fossil Ridge High	860	203	1063	44.95%
4 Central High	466	128	594	23.19%
5 Timber Creek High	544	163	707	23.02%
39 Keller Learning Center	20	2	22	36.67%
41 Keller Middle	47	12	59	6.80%
42 Fossil Hill Middle	375	73	448	53.02%
43 Hillwood Middle	236	64	300	27.52%
44 Indian Springs Middle	109	32	141	17.34%
45 Trinity Springs Middle	253	64	317	29.27%
46 Timberview Middle	142	32	174	15.18%
101 Keller-Harvel Elementary	84	15	99	21.24%
102 Florence Elementary	31	3	34	6.64%
103 Parkview Elementary	283	79	362	57.01%
104 Bear Creek Intermediate	55	13	68	7.34%
105 Whitley Road Elementary	176	41	217	49.89%
106 Heritage Elementary	187	50	237	41.07%
107 Chisholm Trail Intermediate	389	78	467	53.93%
108 Shady Grove Elementary	32	9	41	9.19%
109 Park Glen Elementary	80	29	109	19.64%
110 Willis Lane Elementary	52	16	68	13.31%
111 North Riverside Elementary	211	30	241	53.20%
112 Hidden Lakes Elementary	4	1	5	1.18%
113 Lone Star Elementary	96	40	136	17.19%
114 Parkwood Hill Intermediate	247	73	320	29.22%
115 South Keller Intermediate	100	22	122	19.24%
116 Bluebonnet Elementary	208	43	251	40.03%
117 Freedom Elementary	101	5	106	22.65%
118 Bette Perot Elementary	52	12	64	9.92%
119 Woodland Springs	60	24	84	15.64%
120 Liberty Elementary	18	1	19	4.65%
121 Independence Elementary	45	15	60	13.10%
122 Friendship Elementary	173	45	218	40.15%
123 Trinity Meadows Intermediate	209	57	266	26.52%
124 Eagle Ridge Elementary	80	24	104	13.37%
125 Caprock Elementary	322	78	400	49.94%
126 Basswood Elementary	275	53	328	50.08%
128 Keller Early Learning Center	239	25	264	46.73%
129 Ridgeview Elementary	71	24	95	13.79%
2015-2016 Totals	7,071	1,705	8,776	25.67%



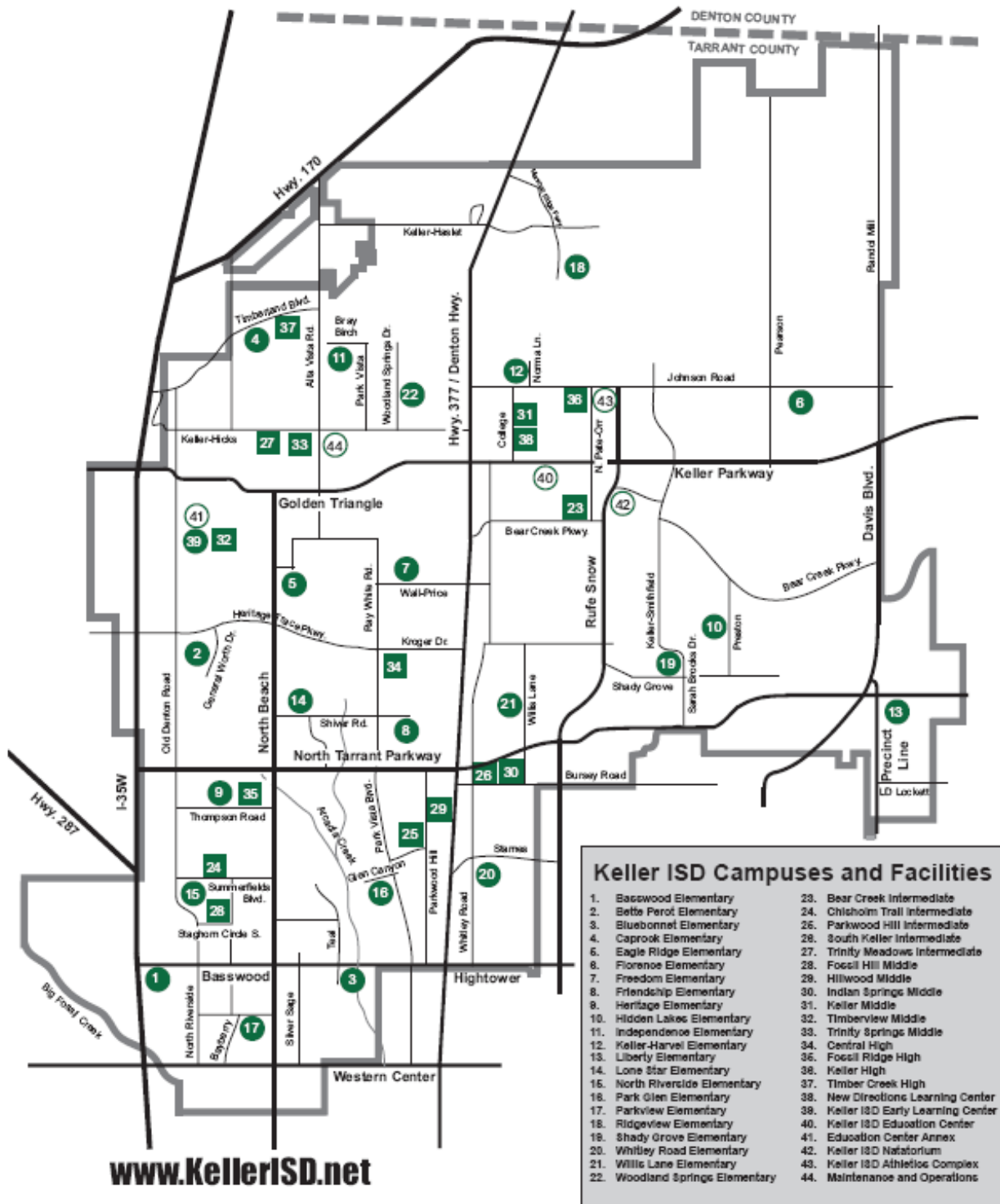


KELLER ISD
Intentionally  Exceptional

Informational Section



KISD Campus Locator Map



This map is intended as an overview and is not drawn to exact scale.

www.KellerISD.net

Keller ISD Schools

Grades 9-12 (High School)

Central High
9450 Ray White Rd.
Keller, TX 76244
817-744-2000
Fax 817-744-2252

Fossil Ridge High
4101 Thompson Rd.
Fort Worth, TX 76244
817-744-1700
Fax 817-337-3407

Keller High
601 N. Pate-Orr Rd.
Keller, TX 76248
817-744-1400
Fax 817-337-3362

Timber Creek High
12350 Timberland Blvd.
Fort Worth, TX 76244
817-744-2300
Fax 817-744-2338

New Directions Learning Center
250 N. College St.
Keller, TX 76248
817-744-4465
Fax 817-744-4464

Grades 7-8 (Middle School)

Fossil Hill
3821 Staghorn Circle S.
Fort Worth, TX 76137
817-744-3050
Fax 817-847-6990

Hillwood
8250 Parkwood Hill Blvd.
Fort Worth, TX 76137
817-744-3350
Fax 817-581-1810

Indian Springs
305 Bursley Rd.
Keller, TX 76248
817-744-3200
Fax 817-431-4432

Keller Middle
300 N. College
Keller, TX 76248
817-744-2900
Fax 817-337-3512

Timberview Middle
10300 Old Denton Rd.
Fort Worth, TX 76244
817-744-2600
Fax 817-744-2638

Trinity Springs
3550 Keller-Hicks Rd.
Keller, TX 76244
817-744-3500
Fax 817-741-6353

Grades 5-6 (Intermediate School)

Bear Creek
801 Bear Creek Pkwy.
Keller, TX 76248
817-744-3650
Fax 817-337-5200

Chisholm Trail
3901 Summerfields Blvd.
Fort Worth, TX 76137
817-744-3600
Fax 817-306-8393

Parkwood Hill
8201 Parkwood Hill Blvd.
Fort Worth, TX 76137
817-744-4000
Fax 817-581-0085

South Keller
201 Bursley Rd.
Keller, TX 76248
817-744-4150
Fax 817-431-6616

Timberview Middle
10300 Old Denton Rd.
Fort Worth, TX 76244
817-744-2600
Fax 817-744-2638

Trinity Meadows
3500 Keller-Hicks Rd.
Keller, TX 76244
817-744-4300
817-741-6923

Grades K-4 (Elementary School)

Basswood
3100 Clay Mountain Tr.
Fort Worth, TX 76137
817-744-6500
Fax 817-750-5168

Bette Perot
9345 General Worth Dr.
Fort Worth, TX 76244
817-744-4800
Fax 817-741-3659

Bluebonnet
7000 Teal Dr.
Fort Worth, TX 76137
817-744-4500
Fax 817-581-3441

Caprock
12301 Grey Twig Dr.
Fort Worth, TX 76244
817-744-6400
Fax 817-741-5203

Eagle Ridge
4600 Alta Vista Rd.
Fort Worth, TX 76244
817-744-6300
Fax 817-741-1856

Florence
3095 Johnson Rd.
Southlake, TX 76092
817-744-4700
Fax 817-337-3607

Freedom
5401 Wall-Price
Fort Worth, TX 76244
817-744-4800
Fax 817-741-9913

Friendship
5400 Shiver Rd.
Fort Worth, TX 76244
817-744-6200
Fax 817-741-5853

Heritage
4001 Thompson Rd.
Fort Worth, TX 76244
817-744-4900
Fax 817-337-3656

Hidden Lakes
900 Preston Ln.
Keller, TX 76248
817-744-5000
Fax 817-741-1260

Independence
11773 Bray Birch Ln.
Fort Worth, TX 76244
817-744-8100
Fax 817-744-8138

Keller-Harvel
635 Norma Ln.
Keller, TX 76248
817-744-5100
Fax 817-337-3551

Liberty
1101 W. McDonwell School Rd.
Colleyville, TX 76034
817-744-8000
Fax 817-743-0314

Lone Star
4647 Shiver Rd.
Fort Worth, TX 76244
817-744-5200
Fax 817-379-6231

North Riverside
7900 N. Riverside Dr.
Fort Worth, TX 76137
817-744-5300
Fax 817-306-1474

Park Glen
5100 Glen Canyon Rd.
Fort Worth, TX 76137
817-744-5400
Fax 817-485-2067

Parkview
6900 Bayberry Dr.
Fort Worth, TX 76137
817-744-5500
Fax 817-232-8693

Ridgeview
1601 Marshall Ridge Pkwy.
Keller, TX 76248
817-744-6600
Fax 817-744-6438

Shady Grove
1400 Sarah Brooks Dr.
Keller, TX 76248
817-744-5600
Fax 817-428-2895

Whitley Road
7600 Whitley Rd.
Watauga, TX 76148
817-744-5800
Fax 817-281-4023

Willis Lane
1620 Willis Ln.
Keller, TX 76248
817-744-5700
Fax 817-337-3830

Woodland Springs
12120 Woodland Springs Dr.
Fort Worth, TX 76244
817-744-5900
Fax 817-741-0354

KISD Early Learning Center
10310 Old Denton Rd.
Fort Worth, TX 76244
817-744-6700
Fax 817-744-6738

Other District Facilities

Keller ISD Education Center
350 Keller Pkwy.
Keller, TX 76248
817-744-1000
Fax 817-337-3261

Keller ISD Athletic Complex
500 N. Pate-Orr Rd.
Keller, TX 76248
817-744-1325

Maintenance and Operations
11300 Alta Vista Rd.
Fort Worth, TX 76244
817-744-3950
Fax 817-337-3728

Education Center Annex
10310 Old Denton Rd.
Fort Worth, TX 76244
817-744-6900

Keller ISD Natatorium
1000 Bear Creek Pkwy.
Keller, TX 76248
817-744-1350
Fax 817-745-1707

Durham School Services (Transportation)
11300 Alta Vista Rd.
Fort Worth, TX 76244
817-744-1300
Fax 817-337-1762

KELLER ISD 2015-2016 BUDGET

2015

July						
S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August						
S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	New Teacher Week					15
16	Teacher PD Week					22
23	[24	25	26	27	28	29
30	31					

September						
S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

October						
S	M	T	W	Th	F	S
				1	ER	3
4	[5	6	7	8	9	10
11	PD	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

November						
S	M	T	W	Th	F	S
1	2	3	4	5	ER	7
8	PD	10	11	12	13	14
15	[16	17	18	19	20	21
22	EQ	24	25	26	27	28
29	30					

December						
S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	ER	19
20	21	22	23	24	25	26
27	28	29	30	31		

2016

January						
S	M	T	W	Th	F	S
					1	2
3	PD	5	6	7	8	9
10	11	12	13	ER	ES	16
17	18	[19	20	21	22	23
24	25	26	27	28	29	30
31						

February						
S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	PD	16	17	18	19	20
21	22	23	24	25	26	27
28	[29					

March						
S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	Bad Weather	26
27	28	29	30	31		

April						
S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	ER	16
17	[18	19	20	21	22	23
24	25	26	27	28	29	30

May						
S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

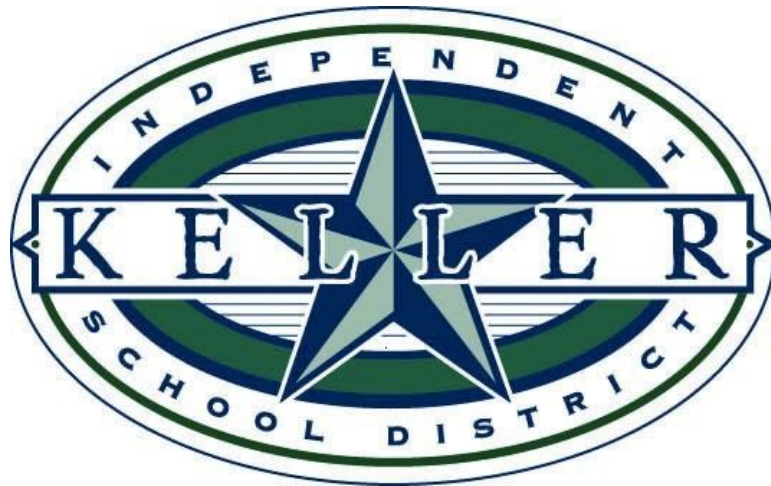
June						
S	M	T	W	Th	F	S
			ER	ES	Bad Weather	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

H	Student/District Holiday	ES	End of Semester/Pre K-12th Grade Early Release
PD	Student Holiday/Professional Development	ER	Pre K-4th Early Release
SA	State Assessment Days (Subject to TEA Revision)	ER	PreK-8th Early Release
Bad Weather	Bad Weather Make Up Day	ER	9-12th Early Release
GD	Proposed Graduation Day	ER	PreK-12th Early Release
TW	Teacher Work Day	EQ	Professional Development Equivalency Day

2015-2016 Dates at a Glance

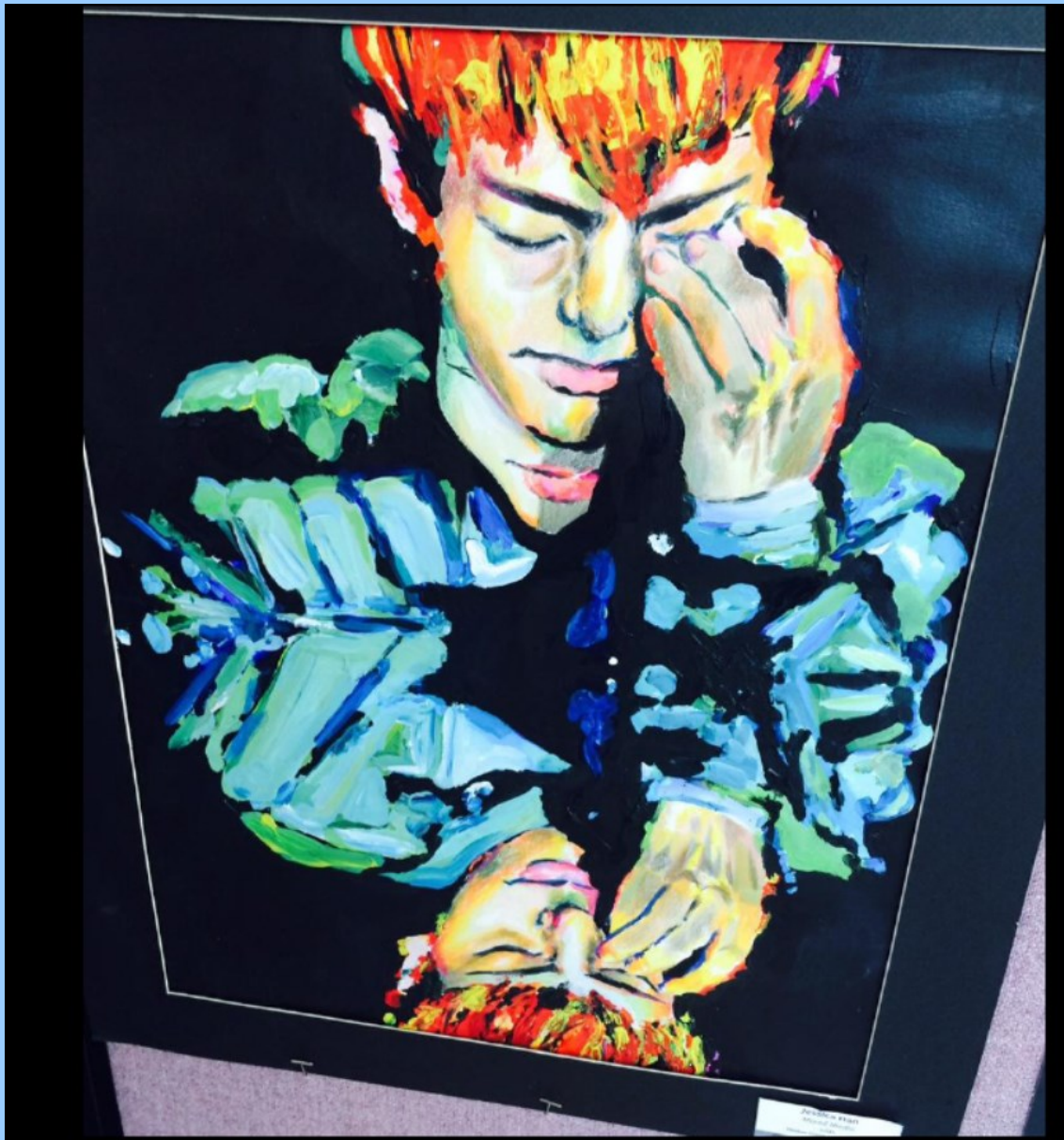
Aug. 10-14	New Teacher week
Aug. 17-21	Professional Development/Teacher Preparation
Aug. 24	First Day of School
Sept. 7	Labor Day/School Closed
Oct. 2	Pre K-8th Grade Early Release Day
Oct. 12	Student Holiday/Professional Development
Nov. 6	Pre K-4th Grade Early Release Day
Nov. 9	Student Holiday/Professional Development
Nov. 23-27	Fall Break/School Closed
Dec. 18	Pre K-12th Grade Early Release
Dec. 21-Jan. 1	Winter Break/School Closed
Jan. 4	Student Holiday/Professional Development
Jan. 14	9-12th Grade Early Release Day
Jan. 15	End of Semester/Pre K-12th Grade Early Release/Teacher Work Day
Jan. 18	MLK Day/School Closed
Feb. 15	Student Holiday/Professional Development
Mar. 14-18	Spring Break/School Closed
Mar. 25	School Closed/Bad Weather Make Up
Apr. 15	Pre K-8th Grade Early Release Day
May 28	Proposed Graduation Day
May 30	Memorial Day/School Closed
June 1	9-12th Grade Early Release Day
June 2	End of Semester/Pre K-12th Grade Early Release/Teacher Work Day
June 3	Teacher Work Day/Second Bad Weather Make Up Day (June 3 TW day will move to June 4 if used as a bad weather day)

1st Semester	86 Days
2nd Semester	90 Days
Total	176 Days



KELLER ISD
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Long Range Financial Forecasts



KELLER ISD 2015-2016 BUDGET

**KELLER INDEPENDENT SCHOOL DISTRICT
REVENUE, EXPENDITURE AND FUND BALANCE FORECAST
GENERAL FUND AND DEBT SERVICE FUND**

	Actual 2013-2014	Projected Actual 2014-2015	Projected Budget 2015-2016	Projected Budget 2016-2017	Projected Budget 2017-2018
General Fund					
Estimated Revenues	\$ 233,840,246	\$ 246,004,005	\$ 248,722,425	\$ 256,184,098	\$ 263,869,621
Estimated Expenditures	235,740,595	255,807,838	257,770,011	264,503,111	271,468,205
Revenue & Other Resources Over (Under) Expenditures	(1,900,349)	(9,803,833)	(9,047,586)	(8,319,013)	(7,598,584)
Other Resources	-	-	2,000,000	-	-
Over (Under) Expenditures	(1,900,349)	(9,803,833)	(7,047,586)	(8,319,013)	(7,598,584)
Beginning Fund Balance, 9/1	78,320,422	76,420,073	66,616,240	59,568,654	51,249,641
Ending Fund Balance, 8/31	\$ 76,420,073	\$ 66,616,240	\$ 59,568,654	\$ 51,249,641	\$ 43,651,057
General Fund Tax Rate	1.04	1.04	1.04	1.04	1.04
Debt Service					
Estimated Revenues	\$ 59,732,877	\$ 64,201,490	\$ 68,497,805	\$ 72,593,423	\$ 76,934,351
Estimated Expenditures	59,297,515	69,833,347	64,304,425	65,585,830	66,898,631
Revenue & Other Resources Over (Under) Expenditures	435,362	(5,631,857)	4,193,380	7,007,593	10,035,720
Other Financing Resources (Uses)					
Other Resources	49,295,068	324,970,718	-	-	-
Other (Uses)	(49,070,797)	(318,213,030)	-	-	-
	224,271	6,757,688			
Revenues and Other Resources Over (Under) Expenditures	659,633	1,125,831	4,193,380	7,007,593	10,035,720
Beginning Fund Balance, 9/1	3,406,682	4,066,315	5,192,146	9,385,526	16,393,119
Ending Fund Balance, 8/31	\$ 4,066,315	\$ 5,192,146	\$ 9,385,526	\$ 16,393,119	\$ 26,428,840
Debt Service Tax Rate	0.500	0.500	0.500	0.500	0.500
Total Tax Rate	\$ 1.5400	\$ 1.5400	\$ 1.5400	\$ 1.5400	\$ 1.5400

KELLER ISD 2015-2016 BUDGET

GENERAL FUND AND DEBT SERVICE FUND

PROJECTED REVENUES

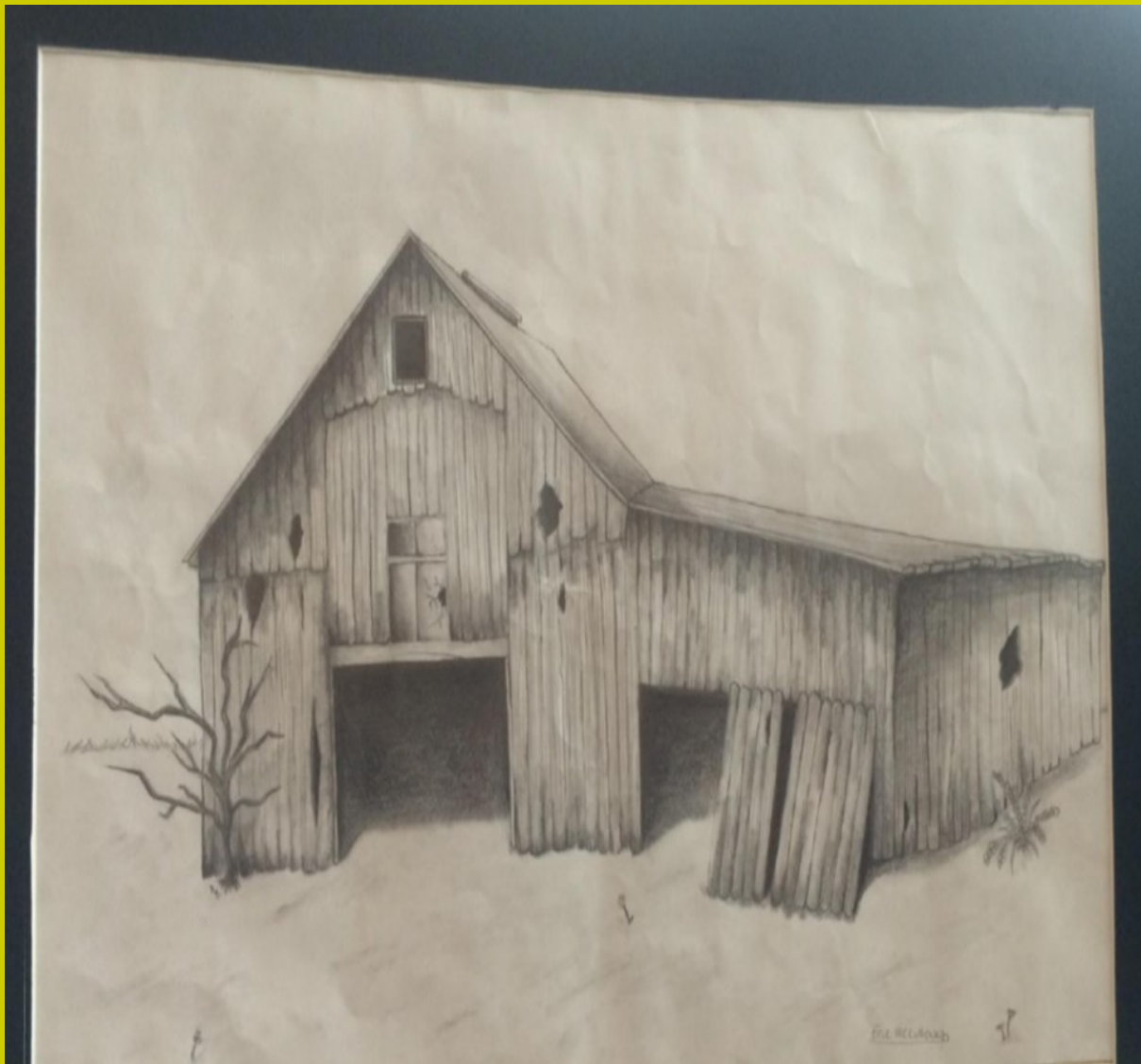
	Actual 2013-2014	Projected Actual 2014-2015	Budget 2015-2016	Projected Budget 2016-2017	Projected Budget 2017-2018
General Fund Local Revenues					
Current Taxes	\$ 120,821,136	\$ 130,259,867	\$ 139,812,118	\$ 149,921,561	\$ 158,916,854
Delinquent Taxes and Penalties/Interest	1,689,849	1,437,097	1,435,000	1,478,050	1,522,392
Tuition and Fees	133,891	112,518	132,500	140,450	148,877
Investment Earnings	131,666	226,000	325,000	344,500	365,170
Facility Rental	566,967	531,686	622,000	659,320	698,879
Other Revenue from Local Sources	2,614,104	2,829,026	3,806,817	4,035,226	4,277,340
Athletic Activities	576,032	543,127	521,500	552,790	585,957
Total General Fund Local Revenues	126,533,645	135,939,321	146,654,935	157,131,897	166,515,469
General Fund State Revenues					
Per Capita Apportionment	8,284,897	8,461,438	9,092,576	9,188,175	9,136,288
Foundation School Fund	87,722,425	90,298,490	87,849,914	86,467,504	82,561,698
Pre-K Supplemental Funding	-	25,132	-	-	-
TEA State Matching Funds	26,998	499	2,000,000	184,522	2,354,556
TRS On-Behalf	9,291,524	8,056,858	-	-	-
Total General Fund State Revenues	105,325,844	106,842,417	98,942,490	95,840,201	94,052,542
General Fund Federal Revenues					
Federal Revenue Distributed by TEA	235,365	261,491	225,000	225,000	225,000
Federal Revenue Distributed by Other	1,745,392	2,960,776	2,900,000	2,987,000	3,076,610
Total Federal Revenues	1,980,757	3,222,267	3,125,000	3,212,000	3,301,610
Total General Fund Revenues	\$ 233,840,246	\$ 246,004,005	\$ 248,722,425	\$ 256,184,098	\$ 263,869,621
Debt Service Local Revenues					
Current Taxes	\$ 58,804,144	\$ 63,425,348	\$ 67,997,805	\$ 72,077,673	\$ 76,402,334
Delinquent Taxes and Penalties/Interest	722,017	626,209	475,000	489,250	503,928
Investment Earnings	31,223	31,945	25,000	26,500	28,090
Other Revenue from Local Sources	-	-	-	-	-
Total Debt Service Local Revenues	59,557,384	64,083,502	68,497,805	72,593,423	76,934,351
Debt Service State Revenues					
State Revenue - TEA	175,493	117,988	-	-	-
Total Debt Service State Revenues	175,493	117,988	-	-	-
Total Debt Service Revenues	\$ 59,732,877	\$ 64,201,490	\$ 68,497,805	\$ 72,593,423	\$ 76,934,351

The following schedule and graph depict the District's Debt Service Retirement through 2040.

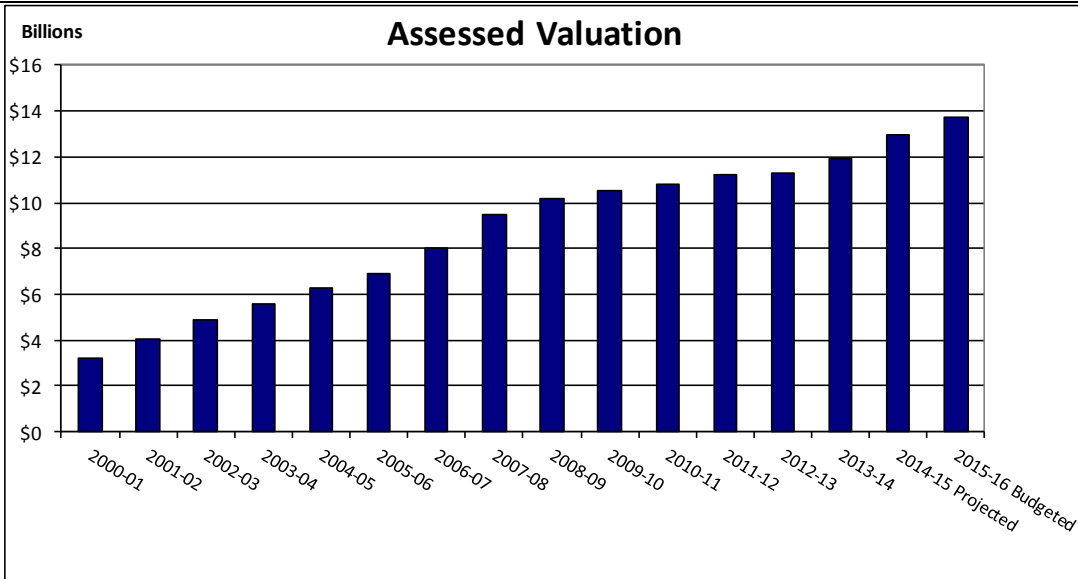
**KELLER INDEPENDENT SCHOOL DISTRICT
DEBT SERVICE FUND
DEBT RETIREMENT SCHEDULE**

Fiscal Year Ended 31-Aug	Principal	Interest	Total	Percent Retired
2016	18,517,572	45,736,852	64,254,424	0.0240
2017	22,109,471	43,426,359	65,535,830	0.0527
2018	27,122,209	39,726,422	66,848,631	0.0878
2019	20,088,387	41,977,384	62,065,771	0.1139
2020	22,471,249	40,230,549	62,701,798	0.1430
2021	26,999,071	36,347,319	63,346,390	0.1780
2022	35,380,000	28,612,561	63,992,561	0.2239
2023	37,580,000	27,069,718	64,649,718	0.2726
2024	39,130,000	25,401,954	64,531,954	0.3234
2025	38,225,000	23,535,247	61,760,247	0.3729
2026	40,645,000	21,643,340	62,288,340	0.4256
2027	43,185,000	19,766,705	62,951,705	0.4816
2028	45,835,000	17,733,305	63,568,305	0.5411
2029	47,790,000	15,627,568	63,417,568	0.6030
2030	49,965,000	13,450,387	63,415,387	0.6678
2031	51,985,000	11,152,912	63,137,912	0.7352
2032	39,945,000	8,740,750	48,685,750	0.7870
2033	18,555,000	6,856,100	25,411,100	0.8111
2034	19,360,000	6,051,300	25,411,300	0.8362
2035	20,195,000	5,213,900	25,408,900	0.8624
2036	19,330,000	4,642,050	23,972,050	0.8874
2037	20,295,000	3,675,550	23,970,550	0.8897
2038	21,310,000	2,660,800	23,970,800	0.8887
2039	22,160,000	1,808,400	23,968,400	0.8823
2040	23,050,000	922,000	23,972,000	0.8861
	771,227,959	492,009,432	1,263,237,391	1.0000

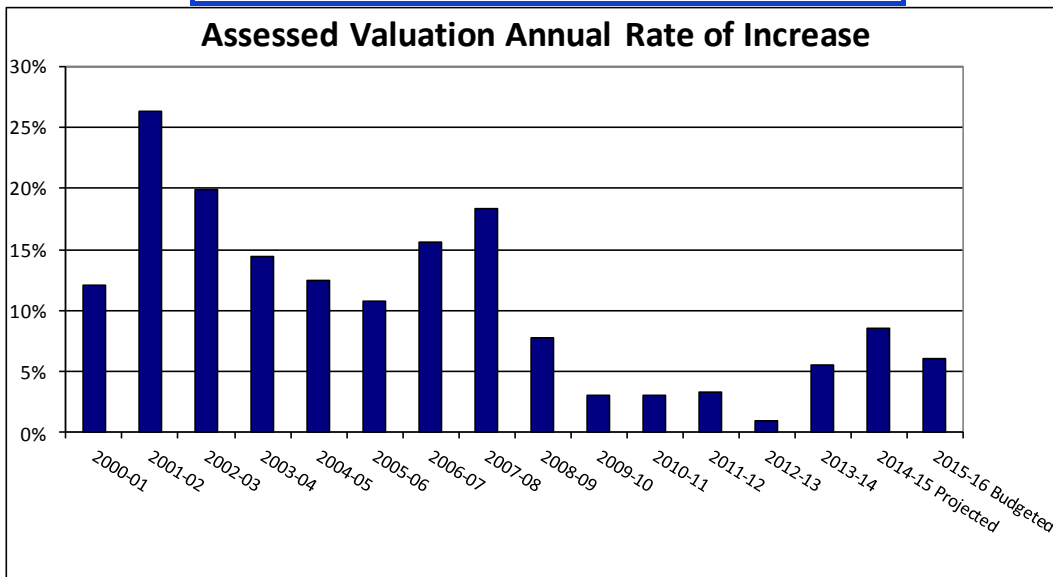
Property Tax Information



KELLER ISD 2015-2016 BUDGET



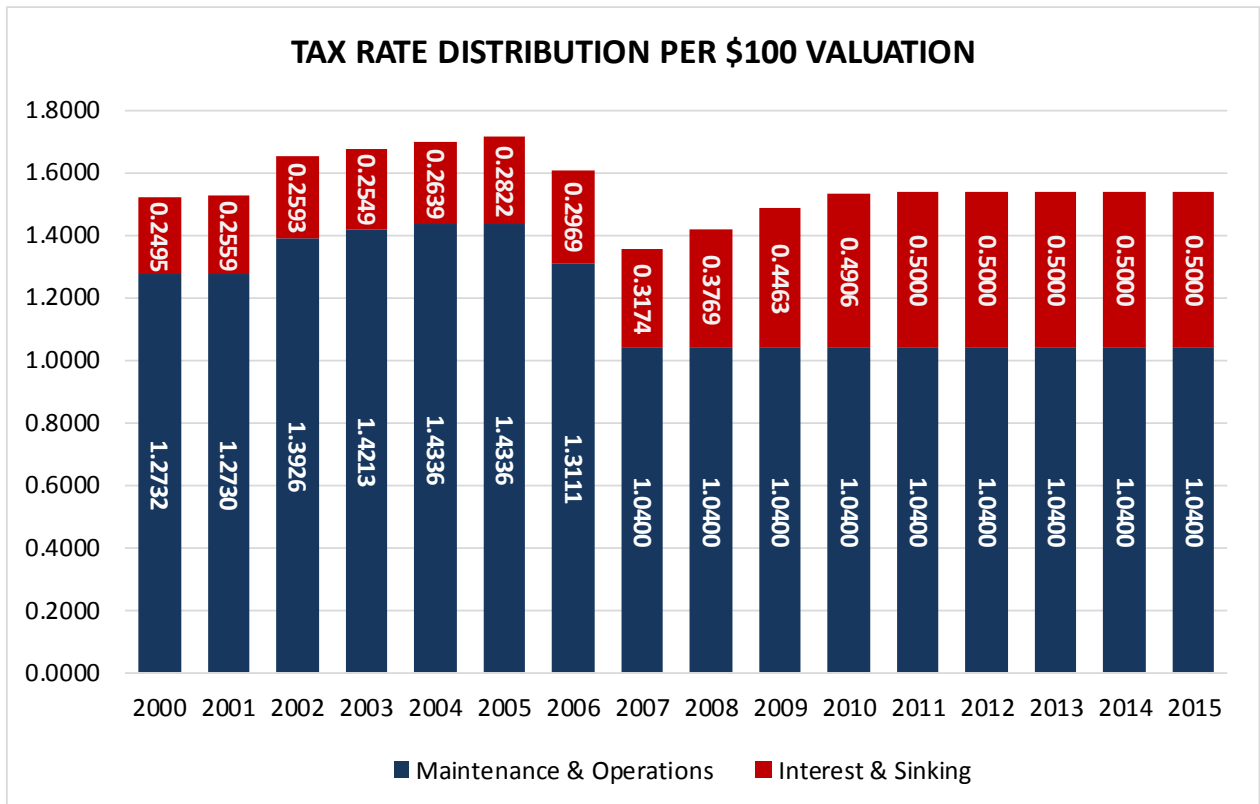
Year	Assessed Valuation	Percent of Growth
2000-01	3,212,519,668	12.10%
2001-02	4,057,640,024	26.31%
2002-03	4,863,228,912	19.85%
2003-04	5,562,591,669	14.38%
2004-05	6,259,451,106	12.53%
2005-06	6,932,158,654	10.75%
2006-07	8,014,015,193	15.61%
2007-08	9,482,514,598	18.32%
2008-09	10,212,543,961	7.70%
2009-10	10,518,985,594	3.00%
2010-11	10,838,009,000	3.03%
2011-12	11,200,638,123	3.35%
2012-13	11,303,854,760	0.92%
2013-14	11,925,386,754	5.50%
2014-15 Projected	12,950,447,900	8.60%
2015-16 Budgeted	13,736,930,336	6.07%



Keller ISD

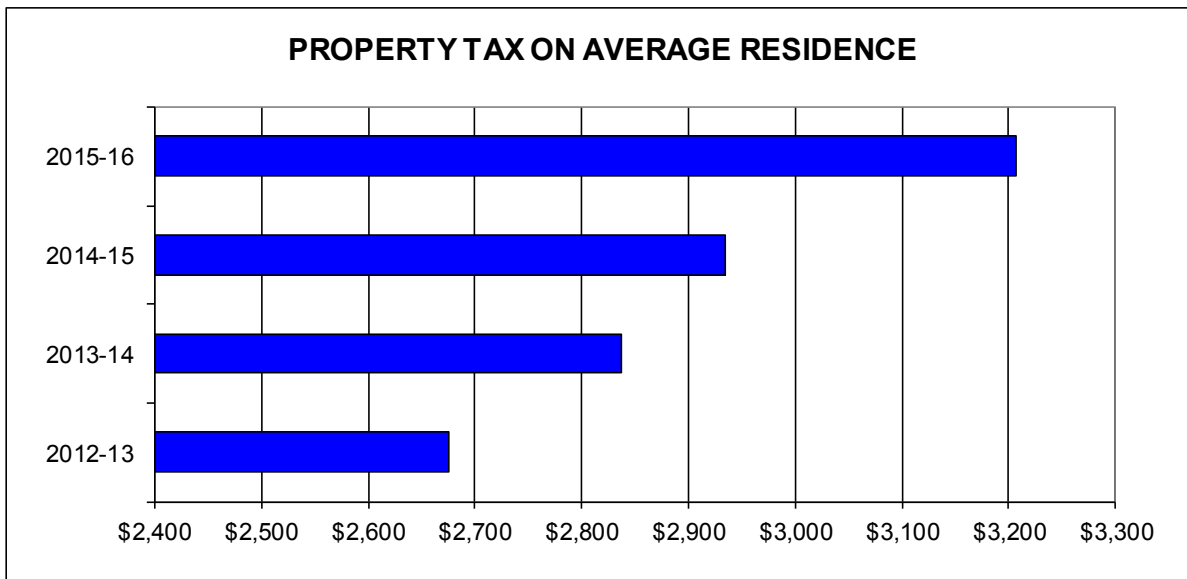
Historical Comparison of Tax Rates

Tax Year	Total	Operating	Debt Service
2000	1.5227	1.2732	0.2495
2001	1.5289	1.2730	0.2559
2002	1.6519	1.3926	0.2593
2003	1.6762	1.4213	0.2549
2004	1.6975	1.4336	0.2639
2005	1.7158	1.4336	0.2822
2006	1.6080	1.3111	0.2969
2007	1.3574	1.0400	0.3174
2008	1.4169	1.0400	0.3769
2009	1.4863	1.0400	0.4463
2010	1.5306	1.0400	0.4906
2011	1.5400	1.0400	0.5000
2012	1.5400	1.0400	0.5000
2013	1.5400	1.0400	0.5000
2014	1.5400	1.0400	0.5000
2015	1.5400	1.0400	0.5000

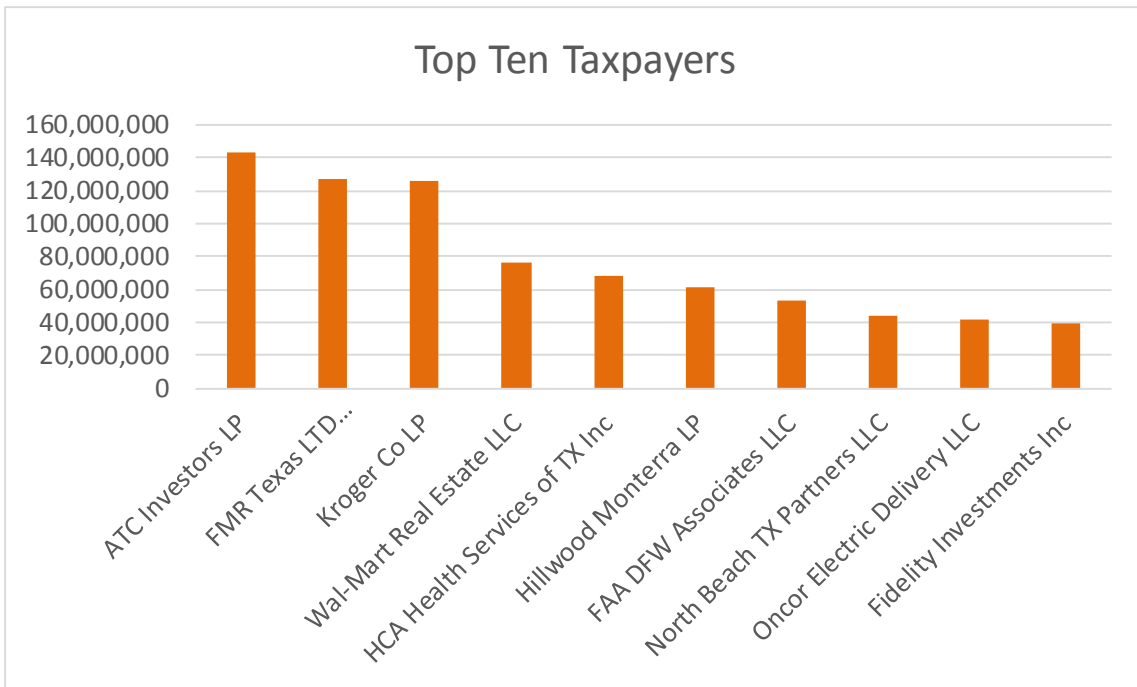


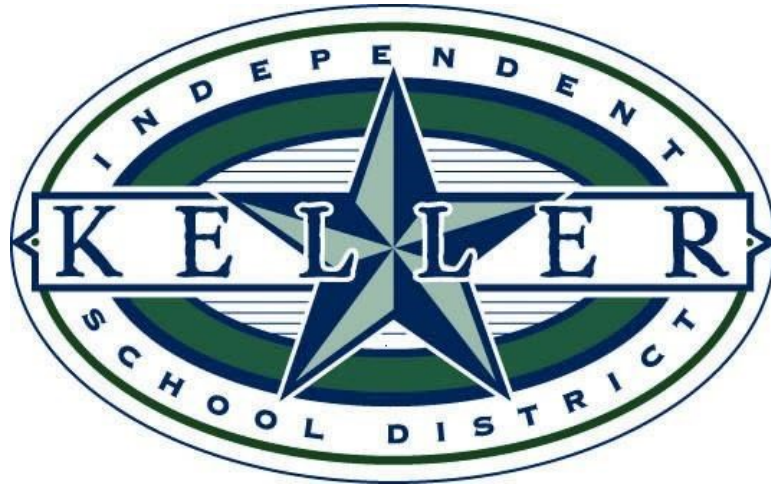
**KELLER INDEPENDENT SCHOOL DISTRICT
PROPERTY TAXES ON AVERAGE RESIDENCES**

	2012-13	2013-14	2014-15	Budgeted 2015-16
Average Market Value of Residences	\$ 200,060	\$ 199,252	\$ 205,047	\$ 224,507
Homestead Exemption	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Average Taxable Value of Residences	\$ 185,060	\$ 184,252	\$ 190,544	\$ 208,253
Total Property Tax Rate	\$ 1.5400	\$ 1.5400	\$ 1.5400	\$ 1.5400
Taxes Due on Average Residence	\$ 2,850	\$ 2,837	\$ 2,934	\$ 3,207
Property Tax Percent Increase (Decrease) From Prior Year	1.06%	-0.46%	3.41%	9.29%



<u>Taxpayer's Name</u>	<u>Total Taxable Value</u>
ATC Investors LP	143,530,709
FMR Texas LTD Prtnship/FMR Texas LLC	126,427,933
Kroger Co LP	125,322,237
Wal-Mart Real Estate LLC	76,056,931
HCA Health Services of TX Inc	67,988,347
Hillwood Monterra LP	60,956,922
FAA DFW Associates LLC	52,723,000
North Beach TX Partners LLC	43,478,000
Oncor Electric Delivery LLC	42,046,728
Fidelity Investments Inc	39,098,584
	<u>\$777,629,391</u>





KELLER ISD
Intentionally  Exceptional

Personnel



KELLER ISD 2015-2016 BUDGET

PERSONNEL

Salary Increase 2015-2016

The budgeted compensation package for 2015-16 included a pay increase for all district staff. For many district employees, this was only the fourth pay increase since the 2008-09 school year, although teachers, counselors, librarians, nurses, speech therapists and diagnosticians had received a pay increase in the 2010-2011 year. For 2015-16, the Board of Trustees authorized a pay increase of 3% of mid-point for all employees.

New Positions 2015-2016

82 positions were added district wide for 2015-16. The schedule below displays the changes in staffing from 2010-11 through 2015-16 years.

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Percentage Change 2011-2016</u>
Supervisory							
Instructional administrators	15.5	12.5	12.5	13.5	17	18	16.1%
Noninstructional administrators	46.5	39.5	43.5	49.5	57.8	60.25	29.6%
Consultants/supervisors of instruction	19.5	9.5	8.5	12	24	25	28.2%
Principals	39	39	39	39	39	40	2.6%
Assistant Principals	65	66	66	66	67	69	6.2%
Total supervisory	186	167	170	180	205	212	14.0%
Instruction							
Elementary classroom teachers	1120	1097	1117.3	1134.3	1200.5	1228.5	9.7%
Secondary classroom teachers	884	798	787.44	901.75	961.5	979.67	10.8%
Other teachers (adult)	-	-	-	-	-	-	0.0%
Other professionals (instructional)	83	73	79	81	85.5	89	7.2%
Aides	303.5	277.5	283	302	333	342	12.7%
Total Instruction	2,391	2,246	2,267	2,419	2,581	2,639	10.4%
Student Services							
Guidance counselors	78.5	78	82	98	100	108	37.6%
Visiting teacher/social workers	2	2	2	2	3	3	50.0%
Psychologists	8	8	8	8	8	8	0.0%
Librarians	37	38	38	38	38	38	2.7%
Other professionals (noninstructional)	78	78.5	83.5	83.5	92.5	97	24.4%
Technicians	30	0	0	0	0	0	-100.0%
Total student services	234	205	214	230	242	254	8.5%
Support and Administration							
Clerical/secretarial	297	203.5	205.5	235	246	252.25	-15.1%
Service workers	256	271	271	270	272	268	4.7%
Skilled crafts	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unskilled Laborers	318	318	318	323	333	334	5.0%
Total support and administration	871	793	795	828	851	854	-1.9%
Total	3,681	3,409	3,444	3,657	3,878	3,960	7.6%

Source: Keller Independent School District records.

Employee Benefits

Keller ISD provides health insurance, workers' compensation, unemployment, Medicare and TRS benefits to its employees. Excluding TRS on Behalf, employee benefits are budgeted to increase by (5.66%) in 2015-16 from 2014-15 projected actual. All benefits increased due to the district wide salary increase for employees and additions of staff. The Board of Trustees voted to contribute \$600,000 for the second year in a row to lessen the impact of premium increases on employees.

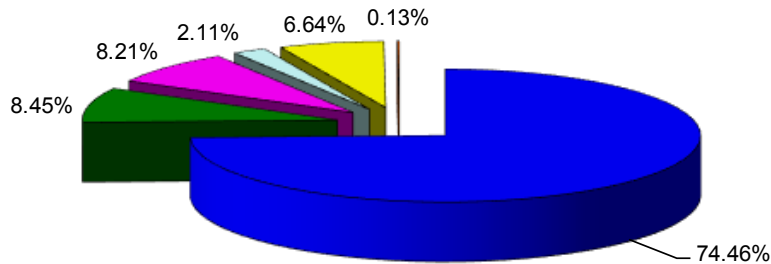
**KELLER INDEPENDENT SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF PAYROLL EXPENDITURES BY OBJECT**

	Audited	Audited	Audited	Projected	Adopted
	2011-2012	2012-2013	2013-2014	Actual	Budget
	2014-2015	2015-2016			
6112 Substitute Teachers	\$ 3,221,245	\$ 2,881,002	\$ 2,752,301	\$ 2,885,162	\$ 2,799,671
6118 Extra Duty/Stipends Professional	3,237,234	3,784,877	4,320,487	4,557,274	4,735,998
6119 Professional Salaries	115,783,219	126,813,911	137,573,973	150,989,932	161,347,798
6121 Overtime	96,683	199,465	207,965	340,607	8,250
6122 Support Personnel Substitutes	318,532	382,361	367,423	409,974	420,146
6127 Student Workers	15,576	15,079	8,805	5,460	-
6128 Extra Duty Pay Support Personnel	205,508	265,657	251,115	281,965	216,002
6129 Support Salaries	16,478,624	17,648,612	19,999,192	21,297,653	23,360,004
6131 Contract Buyout	-	45,750	6,000	48,750	56,500
6139 Employee Allowances	109	(109)	-	-	-
6141 FIMM/FICA	1,920,150	2,121,487	2,291,393	2,485,784	2,648,873
6142 Group Health Insurance	7,615,774	11,067,659	8,933,257	8,889,725	8,876,255
6143 Workers Compensation	1,098,212	1,222,657	1,317,894	1,428,772	1,616,722
6144 TRS On-Behalf	6,475,878	7,380,030	9,291,525	8,056,859	-
6145 Unemployment Payments	281,946	62,904	45,710	27,286	-
6146 TRS	2,562,929	3,173,573	3,734,572	4,227,151	2,864,000
6149 TRS Supplemental	-	-	-	1,988,978	2,234,881
	\$ 159,311,619	\$ 177,064,915	\$ 191,101,612	\$ 207,921,332	\$ 211,185,100

**KELLER INDEPENDENT SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF PAYROLL EXPENDITURES BY FUNCTION**

	Audited 2011-2012	Audited 2012-2013	Audited 2013-2014	Projected Actual 2014-2015	Adopted Budget 2015-2016
11 Instruction	\$ 116,827,280	\$ 130,012,720	\$ 138,531,316	\$ 149,721,231	\$ 152,088,198
12 Media Services (Library)	1,558,529	2,435,240	2,429,379	2,571,239	2,582,821
13 Curriculum and Staff Development	780,663	885,737	1,543,090	2,374,101	2,583,361
21 Instructional Leadership	1,568,432	1,750,510	2,059,693	2,404,619	2,562,114
23 School Leadership	12,181,232	13,247,805	14,506,734	15,025,283	15,291,633
31 Guidance, Counseling and Evaluation	7,170,726	7,229,764	8,077,735	9,631,370	9,458,142
32 Social Work Services	112,585	112,023	124,621	166,263	165,251
33 Health Services	2,195,454	2,541,162	2,573,888	2,761,883	2,971,738
36 Co/Extracurricular Activities	3,459,414	3,994,308	4,494,022	4,893,719	4,740,299
41 General Administration	2,892,934	3,197,665	3,759,843	4,410,306	4,453,636
51 Facility Maintenance and Operations	8,680,850	9,517,844	10,599,061	11,292,117	11,608,002
52 Security and Monitoring Services	636,315	699,880	790,808	879,059	911,911
53 Data Processing Services	886,620	1,066,558	1,239,010	1,481,283	1,494,027
61 Community Services	360,239	373,699	372,412	308,859	273,967
81 Facility Acquisition and Construction	346	-	-	-	-
	\$ 159,311,619	\$ 177,064,915	\$ 191,101,612	\$ 207,921,332	\$ 211,185,100

2015-2016 PAYROLL BUDGET BY FUNCTIONAL CATEGORY



■ Instruction	■ School Leadership	■ Student Support
■ Administrative Support	■ Non Student Support	■ Community Support

Keller ISD
2015 - 2016 New Hire Guide for
Teachers, Librarians, and Nurses (BSRN)*

Years of Experience	New Hire Bachelors Degree Annual Salary	New Hire Bachelors Degree Daily Rate	New Hire Masters Degree Annual Salary	New Hire Masters Degree Daily Rate	New Hire Doctorate Degree Annual Salary	New Hire Doctorate Degree Daily Rate
0	\$51,000	\$272.73	\$52,000	\$278.07	\$52,500	\$280.75
1	\$51,850	\$277.27	\$52,850	\$282.62	\$53,350	\$285.29
2	\$52,150	\$278.88	\$53,150	\$284.22	\$53,650	\$286.90
3	\$52,400	\$280.21	\$53,400	\$285.56	\$53,900	\$288.24
4	\$53,006	\$283.45	\$54,006	\$288.80	\$54,506	\$291.48
5	\$53,206	\$284.52	\$54,206	\$289.87	\$54,706	\$292.55
6	\$53,699	\$287.16	\$54,699	\$292.51	\$55,199	\$295.18
7	\$54,304	\$290.40	\$55,304	\$295.74	\$55,804	\$298.42
8	\$54,914	\$293.66	\$55,914	\$299.01	\$56,414	\$301.68
9	\$55,309	\$295.77	\$56,309	\$301.12	\$56,809	\$303.79
10	\$55,825	\$298.53	\$56,825	\$303.88	\$57,325	\$306.55
11	\$56,369	\$301.44	\$57,369	\$306.79	\$57,869	\$309.46
12	\$56,669	\$303.04	\$57,669	\$308.39	\$58,169	\$311.06
13	\$56,969	\$304.65	\$57,969	\$309.99	\$58,469	\$312.67
14	\$57,269	\$306.25	\$58,269	\$311.60	\$58,769	\$314.27
15	\$57,569	\$307.86	\$58,569	\$313.20	\$59,069	\$315.88
16	\$57,869	\$309.46	\$58,869	\$314.81	\$59,369	\$317.48
17	\$58,219	\$311.33	\$59,219	\$316.68	\$59,719	\$319.35
18	\$58,533	\$313.01	\$59,533	\$318.36	\$60,033	\$321.03
19	\$58,833	\$314.61	\$59,833	\$319.96	\$60,333	\$322.64
20	\$59,619	\$318.82	\$60,619	\$324.17	\$61,119	\$326.84
21	\$59,919	\$320.42	\$60,919	\$325.77	\$61,419	\$328.44
22	\$60,519	\$323.63	\$61,519	\$328.98	\$62,019	\$331.65
23	\$60,869	\$325.50	\$61,869	\$330.85	\$62,369	\$333.52
24	\$61,394	\$328.31	\$62,394	\$333.66	\$62,894	\$336.33
25	\$62,269	\$332.99	\$63,269	\$338.34	\$63,769	\$341.01
26	\$63,144	\$337.67	\$64,144	\$343.02	\$64,644	\$345.69
27	\$63,469	\$339.41	\$64,469	\$344.75	\$64,969	\$347.43
28	\$64,169	\$343.15	\$65,169	\$348.50	\$65,669	\$351.17
29	\$65,113	\$348.20	\$66,113	\$353.55	\$66,613	\$356.22
30+	\$65,783	\$351.78	\$66,783	\$357.13	\$67,283	\$359.80

*Also includes Athletic Trainers and O & M Specialist.

^Based on a 187-day contract.

^Experience based on TEA approved creditable year of service.

^Base pay does not include any stipends or other salary supplements.

^For employees on contracts other than 187-days, the annual rate is based on the daily rate multiplied by the number of days worked, i.e., Campus Administrative Assistants, Learning Coach and Curriculum Designer.

This salary plan is for the 2015-16 school year only.

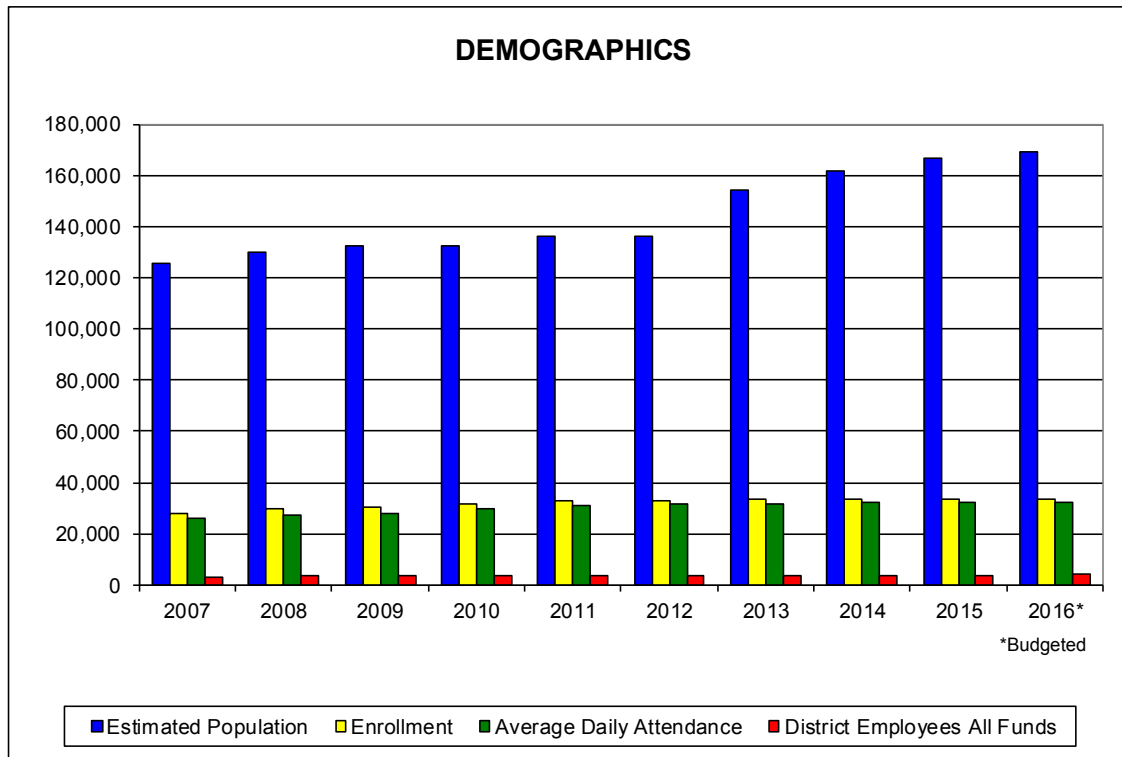
This schedule does not predict future compensation.

Salary Advancement is based on the annual pay raise budget approved by the Board of Trustees each year.

**KELLER INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC DATA
LAST TEN FISCAL YEARS (UNAUDITED)**

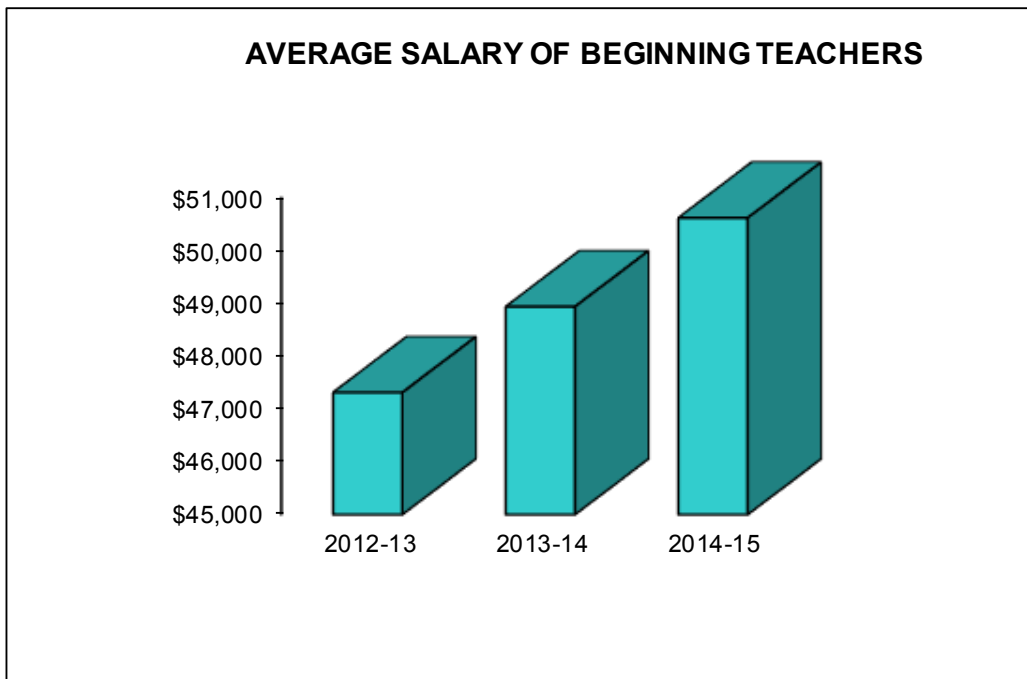
Fiscal Year Ended August 31	Estimated Population	Enrollment	Average Daily Attendance	District Employees All Funds
2007	125,764	27,905	25,706	3,166
2008	130,309	29,596	27,074	3,464
2009	132,430	30,299	28,057	3,493
2010	132,705	31,569	29,678	3,515
2011	136,038	32,746	31,112	3,681
2012	136,518	33,130	31,455	3,409
2013	154,360	33,367	31,698	3,444
2014	161,985	33,763	32,415	3,657
2015	166,533	33,619	31,958	3,878
2016*	169,360	33,714	32,294	3,960

*Budgeted



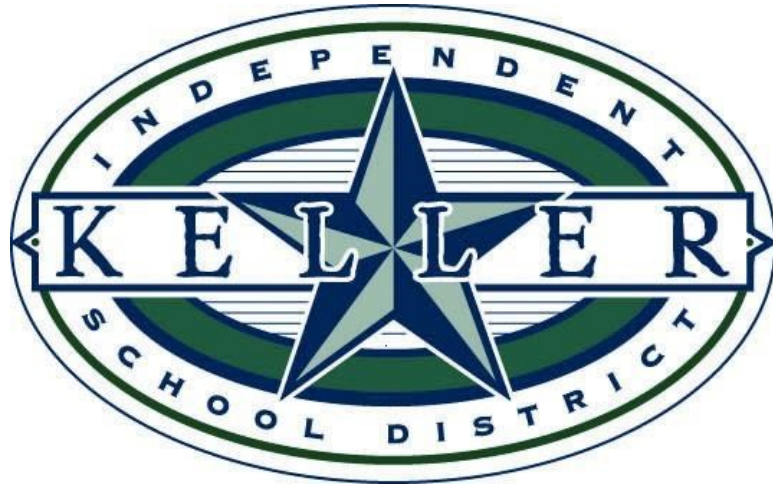
**KELLER INDEPENDENT SCHOOL DISTRICT
AVERAGE TEACHER SALARY BY YEARS OF EXPERIENCE**

	2012-13	2013-14	2014-15
Beginning Teachers	47,314	48,941	50,623
1-5 years	47,546	49,665	51,664
6-10 years	49,619	52,120	54,200
11-20 years	52,275	54,612	56,867
Over 20 years	59,479	61,507	63,237



Source of Information: AEIS Reports, PEIMS Reports

Average teacher salary by years of experience information for the 2014-15 years is not available at the time of publication.



KELLER ISD
Intentionally  Exceptional

Economic/ Demographic Conditions



The Texas Work Force Commission reports the following employment statistics for Tarrant County and the State of Texas.

EMPLOYMENT STATUS

	<u>Tarrant County</u>		<u>State of Texas</u>	
	<u>August 2014</u>	<u>August 2015</u>	<u>August 2014</u>	<u>August 2015</u>
Total Civilian				
Labor Force	990,288	996,567	13,079,296	13,082,139
Total Employment	936,632	954,694	12,349,422	12,485,043
Total Unemployment	53,656	41,873	729,874	597,096

UNEMPLOYMENT RATES

	<u>August 2014</u>	<u>August 2015</u>
Tarrant County**	5.4%	4.2%
State of Texas*	5.6%	4.6%
United States*	6.5%	5.6%

Source of information: Workforce Solutions for North Central Texas

KISD PRINCIPAL EMPLOYERS

KISD Principal Employers

<u>Name of Company</u>	<u># of Employees</u>
American Airlines	5,000
Bell Helicopter	4,600
Fidelity Investments	4,500
Keller ISD	3,960
BNSF Railway	3,650
ATC Logistics	3,315
Sabre Corporation	3,000
Gaylord Texan Resort	2,125
Wal-Mart	1,378
Federal Aviation Administration	1,300
	<u>32,828</u>

The district has previously elected to provide the "Freeport Exemption" for qualifying businesses. This tax incentive has resulted in the attraction of new businesses bringing value and jobs to the district. It is believed that this will continue to be a positive force for the district and will insure that businesses needing the facilities of DFW and Alliance airports will consider, and select, Keller ISD for their new plants and their plant expansions.

KELLER ISD 2015-2016 BUDGET

KELLER ISD DEMOGRAPHICS

Existing Population Distribution

	Colleyville		Fort Worth		Haltom City	
	Number	Percent	Number	Percent	Number	Percent
Less than 19 years	6,597	28.60%	246,685	32.20%	13,342	30.40%
20-24 years	738	3.20%	55,926	7.30%	3,511	8.00%
25-34 years	1,038	4.50%	124,875	16.30%	6,934	15.80%
35-54 years	8,374	36.30%	208,380	27.20%	11,674	26.60%
55+	6,321	27.40%	130,238	17.00%	8,426	19.20%
Total Population	23,068		766,104		43,888	

Existing Population: Race and Ethnicity

	Colleyville		Fort Worth		Haltom City	
	Number	Percent	Number	Percent	Number	Percent
White	19,193	83.20%	207,614	27.10%	12,375	28.20%
Black or African American	484	2.10%	142,495	18.60%	1,887	4.30%
American Indian and Alaska native	115	0.50%	5,363	0.70%	395	0.90%
Asian and Pacific Islander	1,361	5.90%	28,346	3.70%	3,555	8.10%
Hispanic or Latino	1,269	5.50%	264,307	34.50%	17,072	38.90%
Other Races	646	2.80%	117,980	15.40%	8,602	19.60%
Total Population	23,068		766,104		43,888	

Existing Population: Income by Household

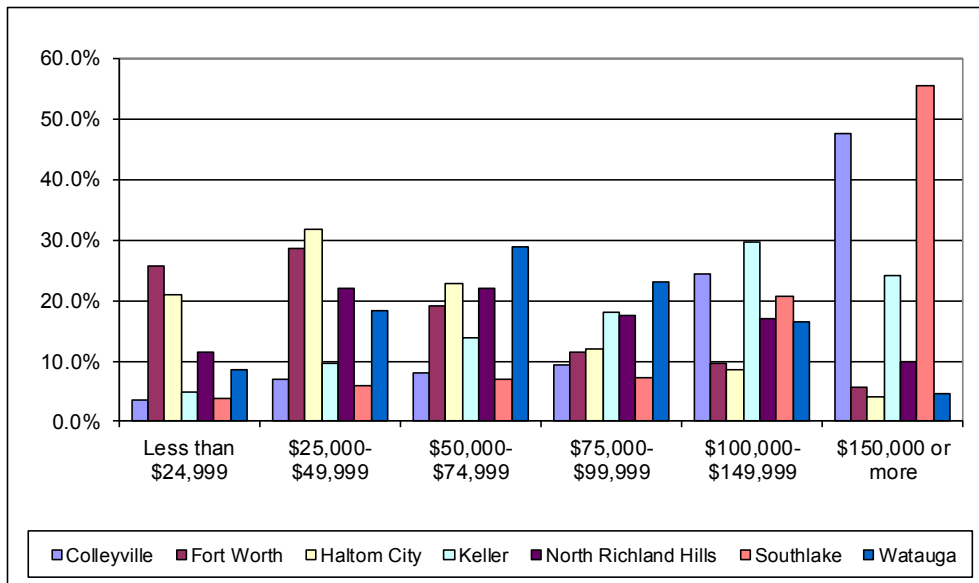
Household Income	Colleyville	Fort Worth	Haltom City
Less than \$24,999	6.20%	24.70%	25.60%
\$25,000-\$49,999	8.90%	27.00%	35.90%
\$50,000-\$74,999	7.30%	19.20%	20.20%
\$75,000-\$99,999	9.70%	12.40%	8.90%
\$100,000-\$149,999	19.90%	10.90%	7.40%
\$150,000 or more	48.00%	5.80%	2.00%

KELLER ISD 2015-2016 BUDGET

Keller		North Richland Hills		Southlake		Watauga	
Number	Percent	Number	Percent	Number	Percent	Number	Percent
13,420	32.90%	17,116	26.90%	9,965	36.70%	7,304	30.80%
1,428	3.50%	4,009	6.30%	652	2.40%	1,375	5.80%
2,896	7.10%	8,335	13.10%	1,059	3.90%	3,510	14.80%
14,971	36.70%	18,706	29.40%	10,562	38.90%	7,304	30.80%
8,076	19.80%	15,461	24.30%	4,915	18.10%	4,221	17.80%
40,790		63,627		27,152		23,714	

Keller		North Richland Hills		Southlake		Watauga	
Number	Percent	Number	Percent	Number	Percent	Number	Percent
31,205	76.50%	38,750	60.90%	22,237	81.90%	14,466	61.00%
1,061	2.60%	3,054	4.80%	597	2.20%	1,138	4.80%
2,040	5.00%	4,454	7.00%	81	0.30%	213	0.90%
1,632	4.00%	1,972	3.10%	1,738	6.40%	1,186	5.00%
3,263	8.00%	10,371	16.30%	1,630	6.00%	4,743	20.00%
1,591	3.90%	5,027	7.90%	869	3.20%	1,968	8.30%
40,790		63,627		27,152		23,714	

Keller	North Richland Hills	Southlake	Watauga
6.60%	17.50%	4.50%	11.70%
13.60%	24.00%	5.30%	23.70%
12.00%	19.40%	6.10%	26.80%
12.30%	14.10%	5.70%	21.50%
28.60%	16.60%	19.50%	14.40%
26.90%	8.40%	58.90%	1.90%



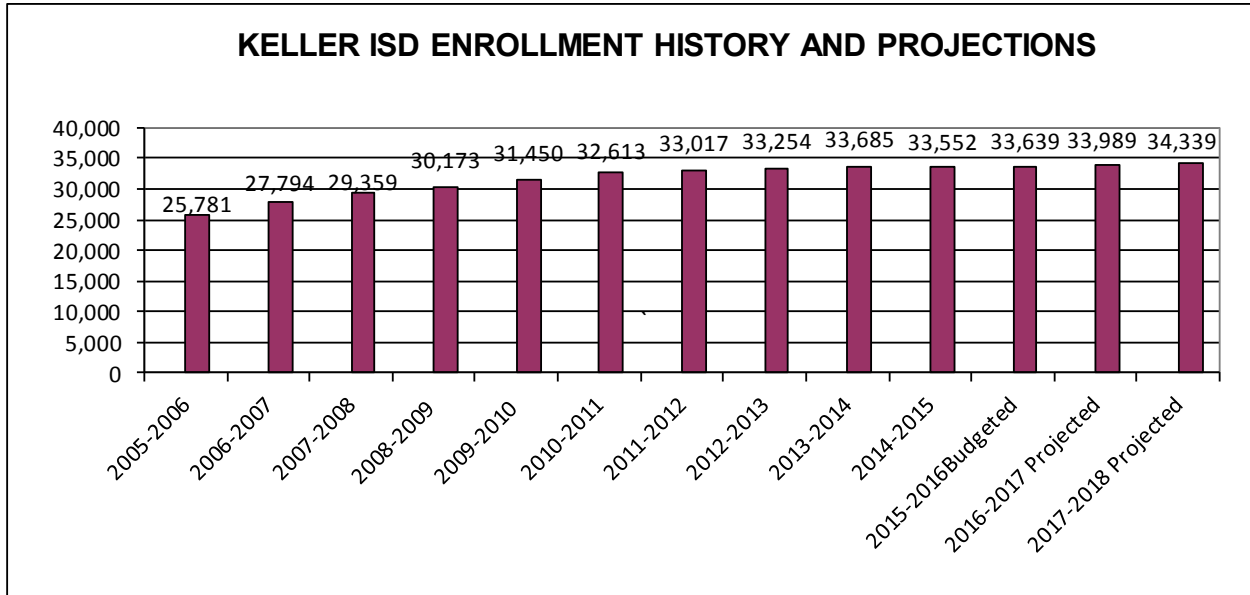
Other Information



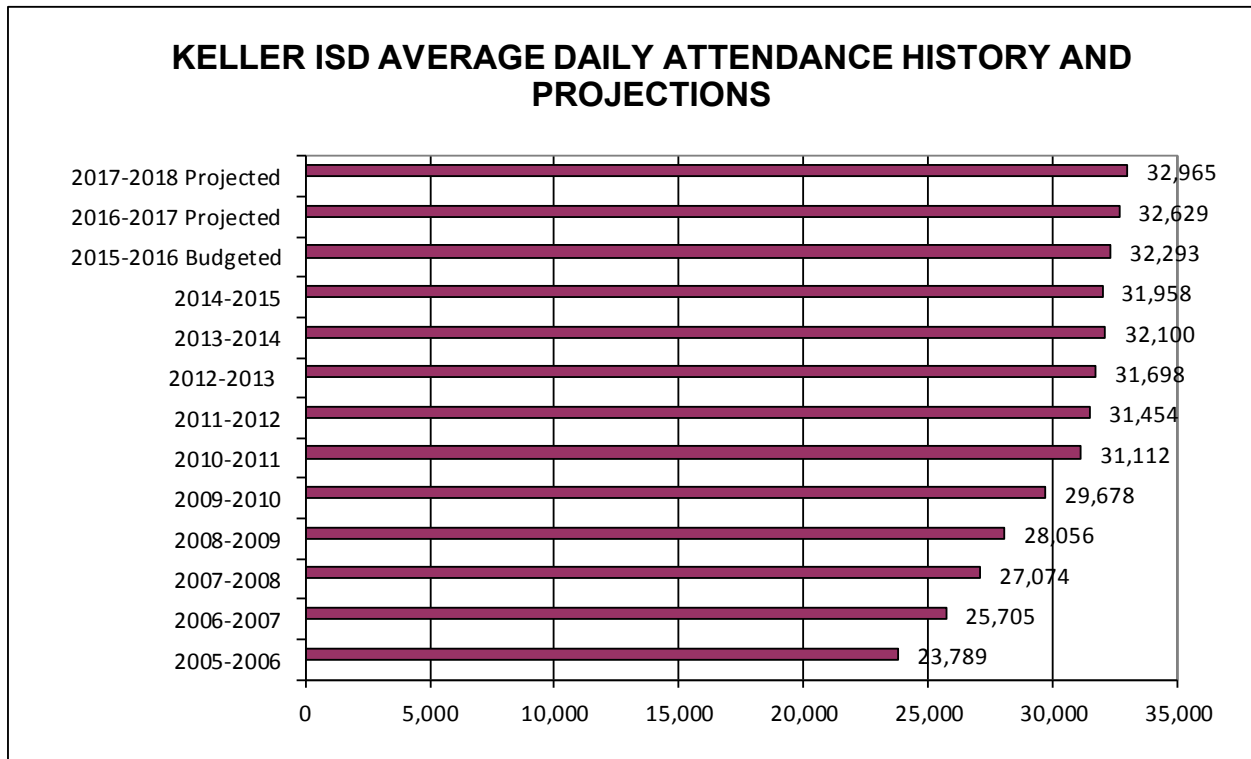
KELLER ISD 2015-2016 BUDGET

ENROLLMENT PROJECTIONS AND AVERAGE DAILY ATTENDANCE

The graph below depicts the Keller ISD enrollment actual and projected.

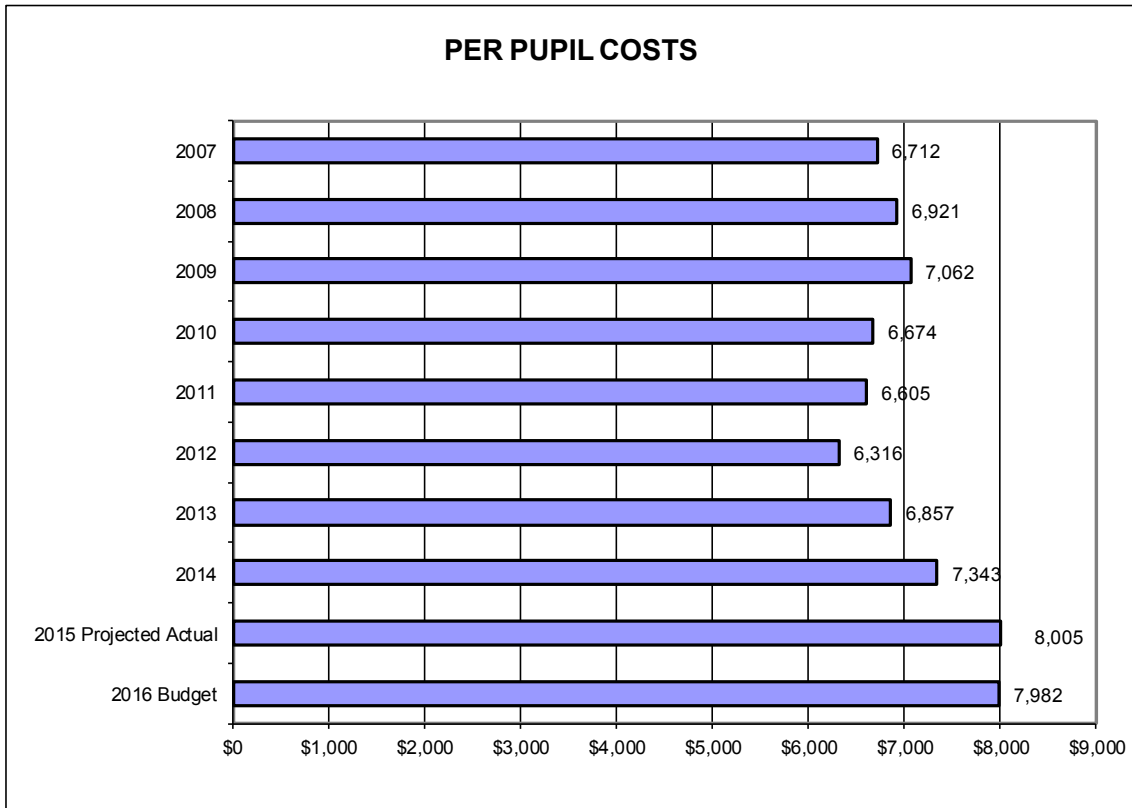


The graph below depicts the District's Average Daily Attendance.



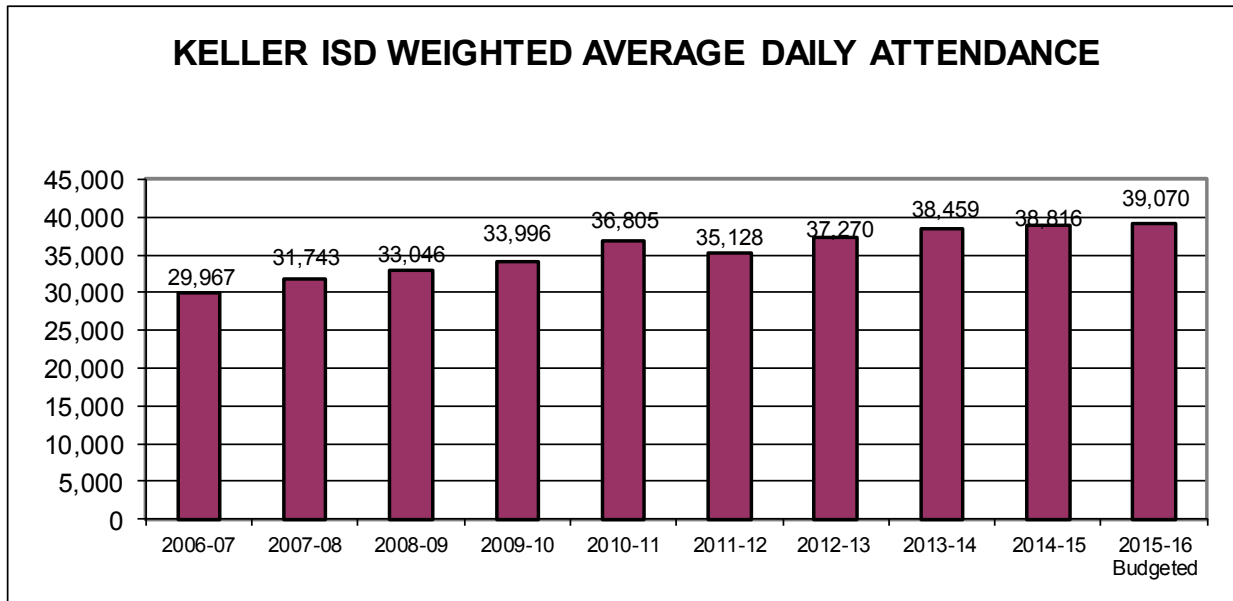
**KELLER ISD
GENERAL FUND EXPENDITURES, AVERAGE DAILY ATTENDANCE
AND GENERAL FUND PER PUPIL COST**

<u>Fiscal Year Ended August</u> <u>31</u>	<u>General Fund</u> <u>Expenditures</u>	<u>Average Daily</u> <u>Attendance</u>	<u>Per Pupil</u> <u>Cost</u>
2016 Budget	257,770,011	32,293	7,982
2015 Projected Actual	255,807,838	31,958	8,005
2014	235,740,595	32,103	7,343
2013	217,349,489	31,698	6,857
2012	198,667,346	31,454	6,316
2011	205,495,730	31,112	6,605
2010	198,073,529	29,678	6,674
2009	198,150,292	28,057	7,062
2008	187,382,466	27,074	6,921
2007	159,675,578	23,791	6,712



WEIGHTED AVERAGE DAILY ATTENDANCE

Weighted average daily attendance (WADA) is used to measure the extent students are participating in special programs. The concept of WADA in effect converts all of a school district's students with their different weights to a calculated number of regular students required to raise the same amount of Tier I revenue. A school district's WADA will be greater than its ADA. The greater the number of students eligible for special entitlements, the greater a school district's WADA will be. WADA is a key component in calculating the district's wealth level used for purposes of equalization.



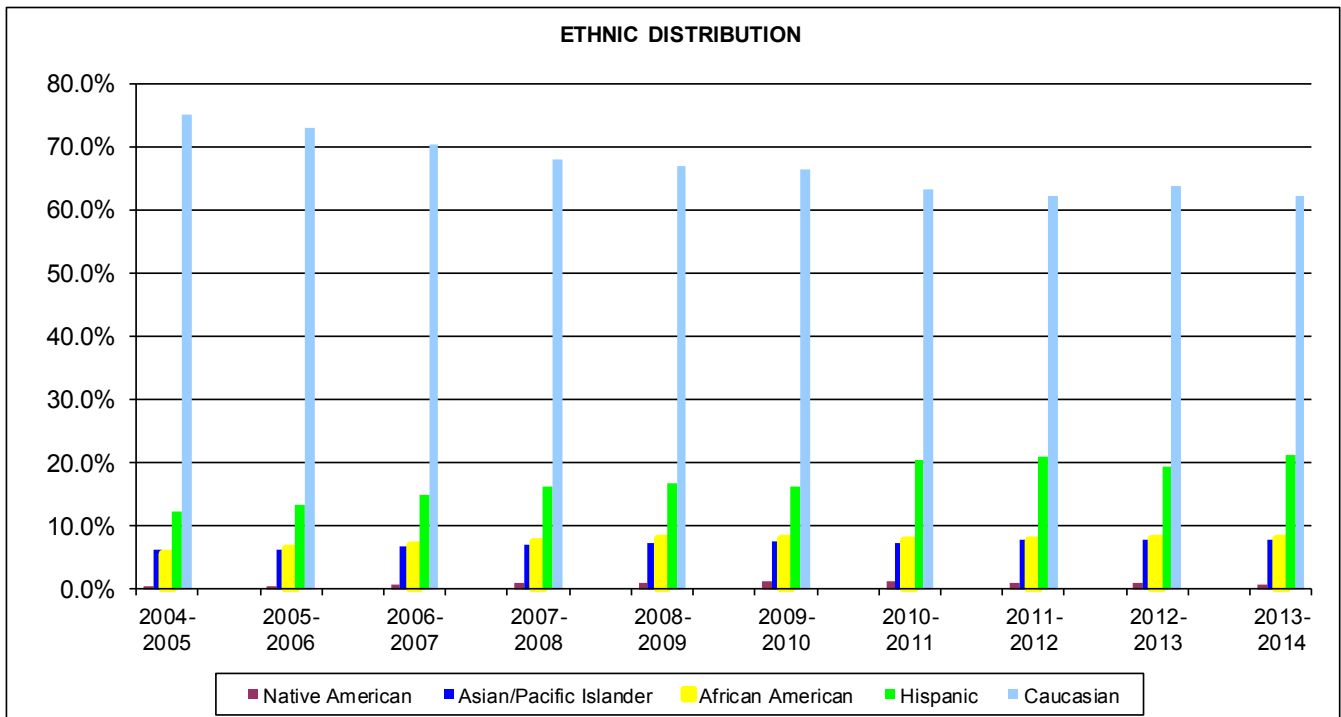
KELLER ISD 2015-2016 BUDGET

STUDENT POPULATION STUDENT POPULATION BY GRADE LEVEL

Grade	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-12	2012-13	2013-14
Early Education	1	0	0	0	193	197	225	232	233	198
Pre-Kindergarten	206	247	260	284	348	381	339	365	386	363
Kindergarten	1,641	1,807	1,883	1,852	1910	2269	2482	2275	2367	2373
Grade 1	1,827	1,971	2,124	2,271	2375	2301	2455	2567	2386	2426
Grade 2	1,843	1,946	2,084	2,197	2489	2467	2410	2489	2610	2451
Grade 3	1,681	1,958	2,129	2,188	2471	2585	2524	2421	2528	2626
Grade 4	1,717	1,828	2,106	2,224	2477	2544	2668	2591	2475	2582
Grade 5	1,668	1,837	2,045	2,249	2479	2544	2573	2720	2532	2462
Grade 6	1,735	1,813	2,003	2,198	2466	2535	2637	2600	2732	2600
Grade 7	1,720	1,866	1,955	2,140	2480	2512	2590	2677	2627	2762
Grade 8	1,691	1,829	1,986	2,058	2345	2532	2572	2586	2673	2694
Grade 9	1,854	1,927	2,045	2,290	2439	2606	2716	2738	2731	2862
Grade 10	1,572	1,815	1,892	1,973	2169	2245	2434	2561	2593	2627
Grade 11	1,424	1,547	1,701	1,735	1904	2048	2111	2237	2379	2433
Grade 12	1,264	1,425	1,554	1,645	1754	1803	2010	2071	2108	2304

ETHNIC DISTRIBUTION

	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Native American	0.6%	0.6%	0.8%	1.0%	0.9%	1.4%	1.2%	1.1%	1.0%	0.7%
Asian/Pacific Islander	6.2%	6.4%	6.7%	7.1%	7.4%	7.7%	7.4%	7.8%	7.9%	7.8%
African American	5.6%	6.4%	7.0%	7.5%	7.9%	8.1%	7.7%	7.7%	7.9%	8.0%
Hispanic	12.4%	13.5%	15.0%	16.2%	16.7%	16.2%	20.4%	21.0%	19.4%	21.2%
Caucasian	75.2%	73.1%	70.5%	68.2%	67.1%	66.6%	63.4%	62.4%	63.8%	62.4%



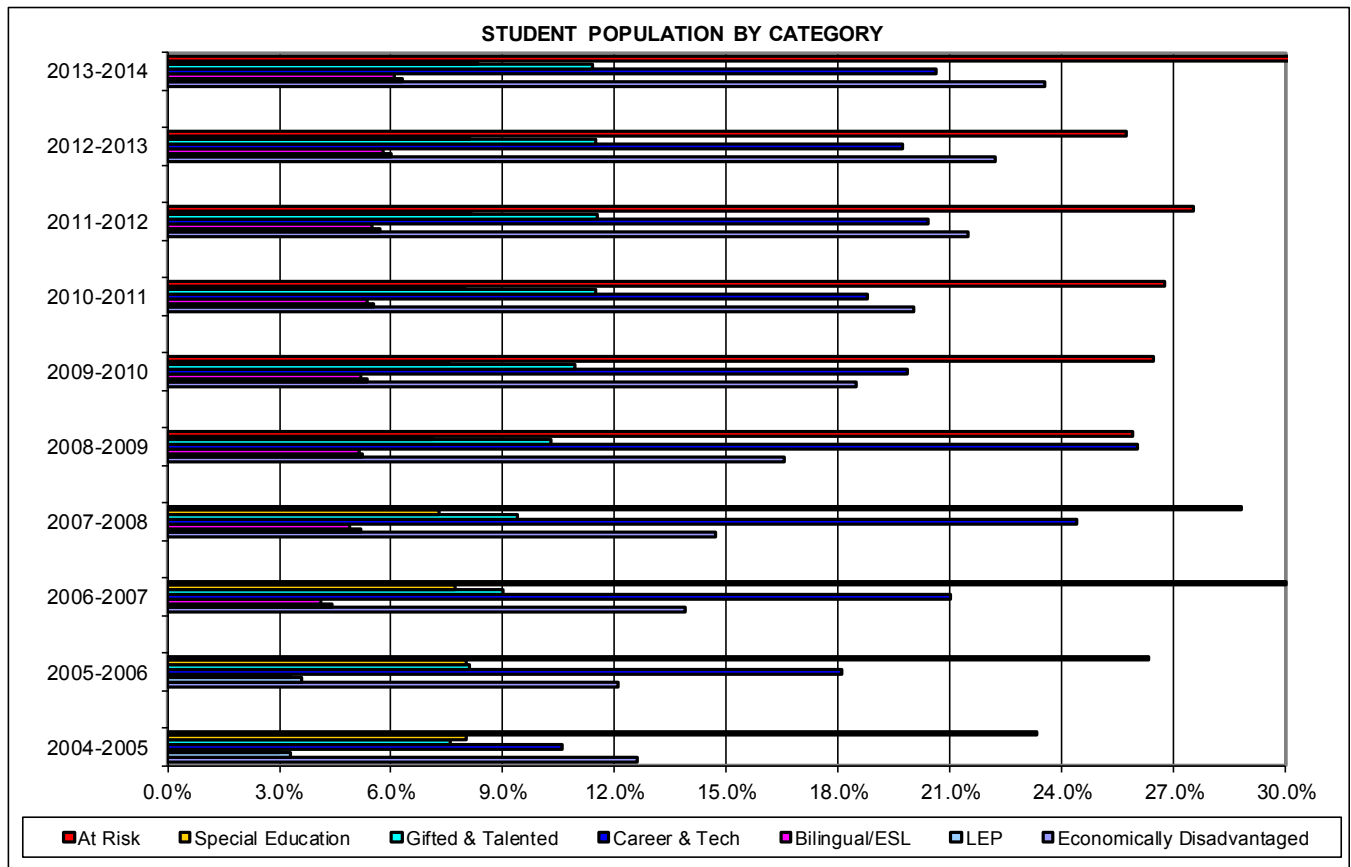
KELLER ISD 2015-2016 BUDGET

SPECIAL POPULATION BY CATEGORY STUDENT COUNT

	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Economically Disadvantaged	3,002	3,143	3,887	4,339	5,009	5,834	6,562	7,113	7,398	7,942
LEP	778	943	1,222	1,519	1,590	1,686	1,809	1,888	2,006	2,128
Bilingual/ESL	705	844	1,144	1,445	1,557	1,633	1,748	1,815	1,923	2,050
Career & Tech	2,530	4,686	5,850	7,198	7,890	6,261	6,153	6,766	6,550	6,956
Gifted & Talented	1,813	2,102	2,503	2,761	3,115	3,443	3,763	3,823	3,815	3,855
Special Education	1,912	2,057	2,138	2,154	2,156	2,382	2,609	2,703	2,679	2,805
At Risk	5,533	6,798	8,382	8,491	7,841	8,343	8,757	9,123	8,537	10,427

PERCENTAGES

	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Economically Disadvantaged	12.6%	12.1%	13.9%	14.7%	16.5%	18.5%	20.0%	21.5%	22.2%	23.5%
LEP	3.3%	3.6%	4.4%	5.2%	5.3%	5.3%	5.5%	5.7%	6.0%	6.3%
Bilingual/ESL	3.0%	3.3%	4.1%	4.9%	5.1%	5.2%	5.3%	5.5%	5.8%	6.1%
Career & Tech	10.6%	18.1%	21.0%	24.4%	26.0%	19.8%	18.8%	20.4%	19.7%	20.6%
Gifted & Talented	7.6%	8.1%	9.0%	9.4%	10.3%	10.9%	11.5%	11.5%	11.5%	11.4%
Special Education	8.0%	8.0%	7.7%	7.3%	7.1%	7.6%	8.0%	8.2%	8.1%	8.3%
At Risk	23.3%	26.3%	30.0%	28.8%	25.9%	26.4%	26.7%	27.5%	25.7%	30.9%



Performance Indicators



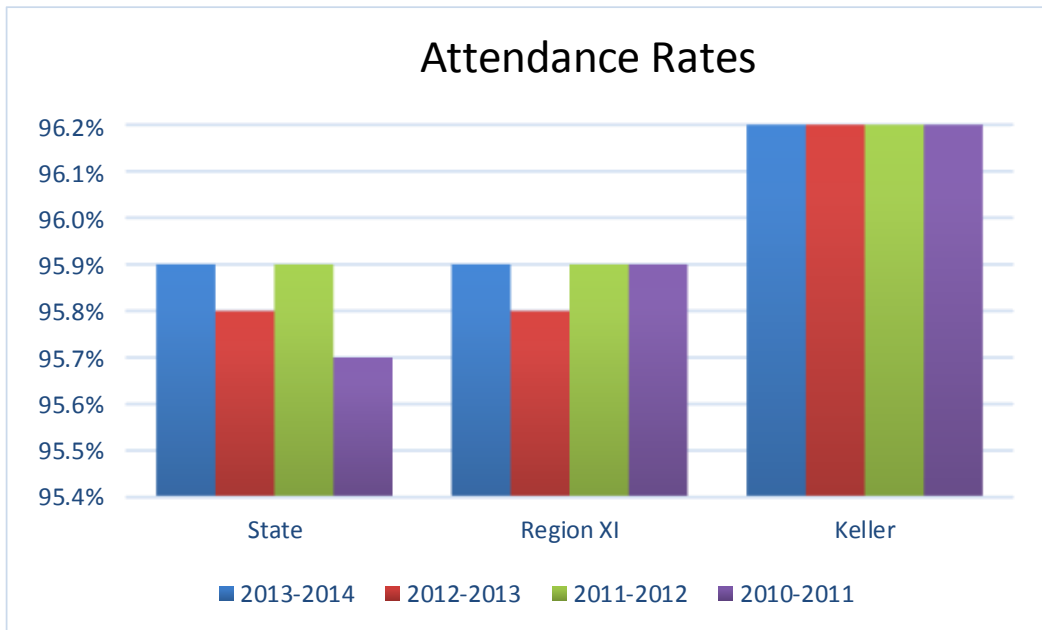
ATTENDANCE RATES

The District offers various attendance programs at campuses to encourage student attendance. Training is provided for administrators and attendance personnel on attendance requirements and techniques for improving attendance. Keller ISD’s attendance rate compares favorably to region and state rates as evidenced by the graph below.

Note: Attendance and Drop-out rates are provided through the TEA AEIS reports. The 2014-2015 attendance information is not available at the time of publication.

KELLER ISD ATTENDANCE RATES

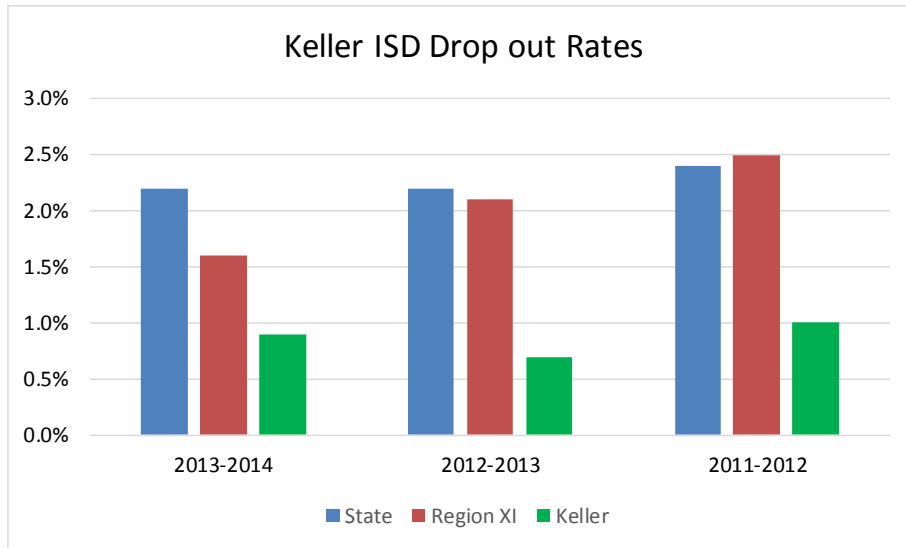
Year	State	Region XI	Keller
2013-2014	95.9%	95.9%	96.2%
2012-2013	95.8%	95.8%	96.2%
2011-2012	95.9%	95.9%	96.2%
2010-2011	95.7%	95.9%	96.2%



KELLER ISD DROPOUT RATES

Keller ISD Dropout Rates

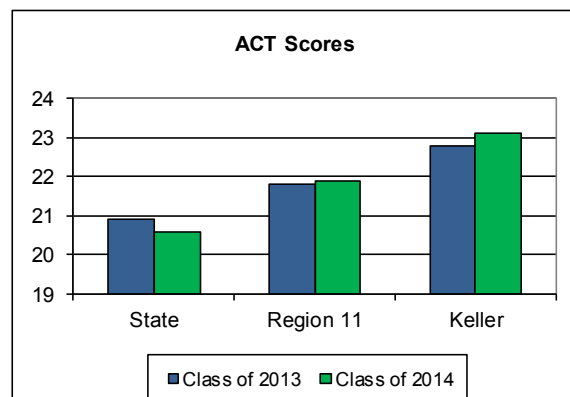
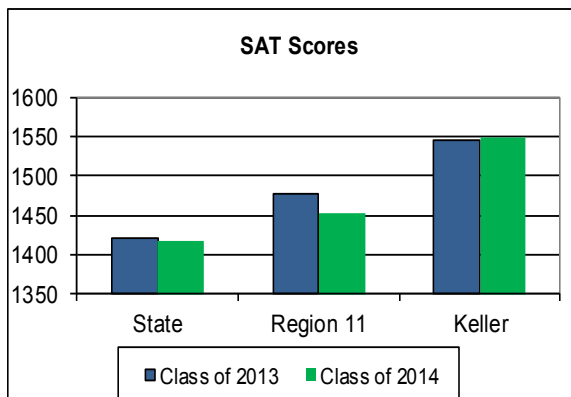
<u>Year</u>	<u>State</u>	<u>Region XI</u>	<u>Keller</u>
2013-2014	2.2%	1.6%	0.9%
2012-2013	2.2%	2.1%	0.7%
2011-2012	2.4%	2.5%	1.0%



SAT / ACT RESULTS

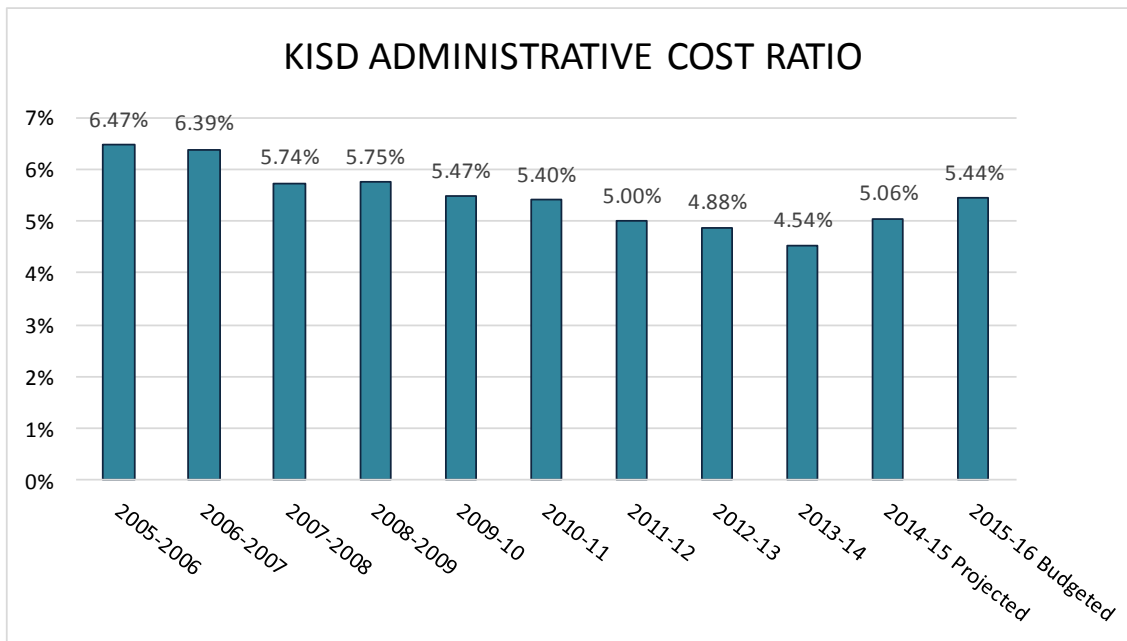
<u>Year</u>	<u>SAT Results</u>		
	<u>State</u>	<u>Region 11</u>	<u>Keller</u>
Class of 2013	1422	1477	1545
Class of 2014	1417	1453	1549

<u>Year</u>	<u>State</u>	<u>Region 11</u>	<u>Keller</u>
Class of 2011	20.8	20.0	22.7
Class of 2012	20.8	21.1	22.9
Class of 2013	20.9	21.8	22.8
Class of 2014	20.6	21.9	23.1

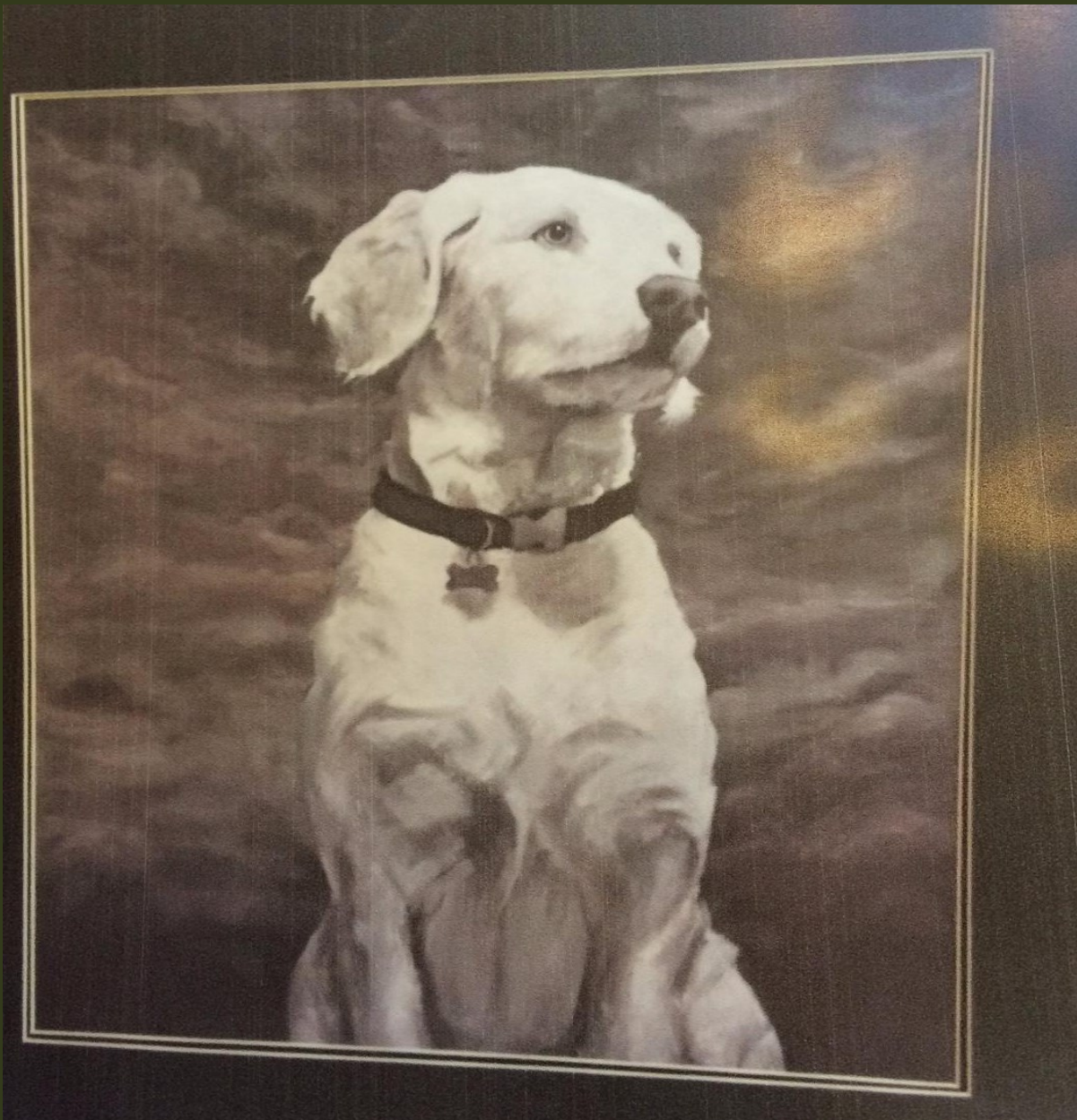


ADMINISTRATIVE COST RATIO

TEA sets annual rules for the calculation of administrative costs and the “acceptable” administrative cost ratio for school districts based upon their size, and student population characteristics. The “acceptable” administrative cost for Keller ISD is 11.05%. The components of administrative cost are defined as operating expenses made from funds other than federal funds associated with managing, planning, directing, coordinating, and evaluating a school district. Administrative costs include costs classified in Account Code Functions 21 (Instructional Leadership) and 41 (General Administration) as defined in the Financial Accounting and Reporting module. The administrative cost ratio is calculated by dividing administrative costs by instructional costs, expressed as a percentage. Instruction costs are defined as operating expenses made from funds other than federal funds associated with teacher-student instruction. Instructional costs are costs classified in Account Code Function 11 (Instruction), 12 (Instructional Resources and Media Services), 13 (Curriculum Development and Instructional Staff Development), and 31 (Guidance, Counseling and Evaluation Services). Although the administrative cost ratio is no longer required by state law it remains an indicator in the Financial Integrity Rating System of Texas (First).



Appendix



KELLER INDEPENDENT SCHOOL DISTRICT
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 to Generally Accepted Accounting Principles (GAAP) as applied to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide (FASRG). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. This section further requires that a report be provided at the time 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 Texas 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. In addition, KISD has incorporated two additional digits to the object code to define the subject (i.e., math, science, etc.). This allows for easy analysis of amounts expended for each subject.
- Sub-Object – Optional code. Used at KISD 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.

Expenditure 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, contracted services, supplies and materials, other operating expenditures, debt service, and capital outlay. Fund codes are described in the preceding Financial Structure section. The following pages contain a description of the function codes used throughout this document.

CODE FUNCTION TITLE

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 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/staff development (13) or principals (23).

12 Library/Media Services

This function is used for expenditures that are directly and exclusively used for resource centers, establishing and maintaining libraries, and other major facilities dealing with educational resources and media. For example, function 12 includes librarians, but does not include textbooks (11) or reference books in the classroom (11).

13 Curriculum Development and Instructional Staff Development

This function is used for expenditures that are directly and exclusively used to aid instructional staff in planning, developing, and evaluating the process of providing learning experiences for students. This function also includes expenditures related to research and development activities that investigate, experiment and/or follow-through with the development of new or modified instructional methods, techniques, procedures, service, etc. For example, this function includes staff that research and develop innovative, new, or modified instruction and staff who prepare in-service training for instructional staff, but does not include salaries of instructional staff when attending in-service training (11 or 12).

20 *Instructional and School Leadership*

21 Instructional Leadership

This function encompasses those **district-wide** activities, which have as their purpose managing, directing, and supervising the general and specific instructional programs and activities. For example, function 21 includes instructional supervisors, and Associate Superintendent for Instruction, but does not include principals (23).

23 School Leadership

This function includes expenditures for directing, managing, and supervising a school. It includes salaries and supplies for the principal, assistant principal, and other administrative and clerical staff, including attendance clerks.

30 Student Support Services

31 Guidance, Counseling, and Evaluation Service

This function includes expenditures for testing and assessing students' abilities, aptitudes, and interests with respect to career and educational goals and opportunities. It includes psychological services, testing, student evaluation and counseling.

32 Social Work Services

This function includes expenditures which directly and exclusively promote and improve school attendance. Examples include social workers and truant officers.

33 Health Services

This function is used for expenditures that directly provide physical health services to students, which are not a part of direct instruction. It includes medical, dental, and nursing services.

34 Student Pupil 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).

35 Food Services

This function includes the management of the Child Nutrition program at the schools and the serving of meals, lunches, or snacks in connection with school activities. Function 35 includes salaries for cooks and food purchases, but does not include concession stands (36).

36 Co/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 extracurricular activities are scholastic competition, speech, debate, band, football, baseball, etc. Function 36 includes athletic salary supplements paid exclusively for coaching, directing, or sponsoring extracurricular athletics, but does not include salaries for teaching physical education (11).

40 Administrative Support Services

41 General Administration

This function includes expenditures incurred for the overall administrative responsibilities of the school district. It includes expenditures for the school board, superintendent's office, tax office, personnel services, financial services, and administrative attendance personnel.

50 Support Services – Non Student Based

51 Facilities Maintenance and Operations

This function deals with expenditures made to keep buildings, grounds, and equipment safe for use and in efficient working condition. Examples include janitors, facility insurance premiums and utilities.

52 Security and Monitoring Services

This is a function for which expenditures are directly and exclusively for activities to keep student and staff surroundings safe, whether in transit to or from school, on a campus or participating in school-sponsored events at another location. Examples include security guards, crossing guards and police.

53 Data Processing Services

Non-instructional data processing services which include computer facility management, computer processing, systems development, analysis and design. Personal computers (PC's) that are stand-alone are to be charged to the appropriate function. Peripherals including terminals and printers are to be charged to the appropriate function.

60 Ancillary Services

61 Community 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, natatorium, 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 Districts 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 arrangements; 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 is used for expenditures that are for the purpose of providing financial resources for Juvenile Justice Alternative Education Programs.

97 Payments to Tax Increment Fund

This function is used for the purpose of providing financial resources paid into a tax increment fund under Chapter 311, Tax Code.

99 Other Intergovernmental Charges

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

Glossary



GLOSSARY

This glossary contains definitions of terms used in this guide and such additional terms as seem necessary to common understandings concerning financial accounting procedures for schools. Several terms, which are not primarily financial accounting terms, have been included because of their significance for school financial accounting. The glossary is arranged alphabetically with appropriate cross-referencing where necessary.

Abatement – A complete or partial cancellation of a levy imposed by a governmental unit. Abatements usually apply to tax levies, special assessments, and service previously recorded expenditure or receipt item by such things as refunds, rebates, and collections for loss or damage to school property.

Account – A descriptive heading under which are recorded financial transactions that are similar in terms of a given frame of reference, such as purpose, object, or source.

Accounting Period – A period at the end of which and for which financial statements are prepared; for example, September 1 through August 31.

Accrual – A method of accounting that recognizes the financial effect of transactions, events, and inter fund activities when they occur, regardless of the timing of related cash flows.

ACT – Acronym for American College Test.

ADA – Acronym for Average Daily Attendance.

Administration – Those activities which have as their purpose the general regulation, direction, and control of the affairs of the local education agency that are system-wide and not confined to one school, subject, or narrow phase of school activity.

AEIS – Acronym for Academic Excellence Indicator System.

AIS – Acronym for Accelerated Instructional Services.

Allocation – A part of a lump-sum appropriation which is designated for expenditure by specific organization units and/or for special purposes, activities, or objects.

Amendment – A proposal to change the amount or scope of an activity or project after the budget has already been submitted to the Board.

AP – Acronym for Advanced Placement.

Appraisal – (1) The act of appraising. (2) The estimated value resulting from such action.

Appraise – To make an estimate of value, particularly of the value of property. Note, if the property is valued for purposes of taxation, the less-inclusive term “assess” is substituted for the

Appropriation Account – A budgetary account set up to record specific authorization to spend. The account is credited with original and any supplemental appropriations and is charged with expenditures and encumbrances.

Assess – To value property officially for the purpose of taxation. Note, the term is also sometimes used to denote the levy of taxes, but such usage is not correct because it fails to distinguish between the valuation process and the tax levy process.

Assessed Valuation – A valuation set upon real estate or other property by a government as a basis for levying taxes.

Assets – Property owned by a local education agency which has a monetary value.

Balance Sheet – An itemized statement that lists the total assets and the total liabilities of a given business to portray its net worth at a given moment of time. The amounts shown on a balance sheet are generally the historic cost of items and not their current values.

Benefits – A payment or entitlement, such as one made under an insurance policy or employment agreement, public assistance program, or something of value or usefulness.

Bill – (1) A term used to denote a law or statute passed by certain legislative bodies. A bill has greater legal formality and standing than a resolution. (2) A statement of an amount owing for goods and services sold on open account.

Board of Education – The elected or appointed body, which has been created according to State, law and vested with responsibilities for educational activities in a given geographical area. These bodies are sometimes called school boards, governing boards, boards of directors, school committees, school trustees, etc. This definition relates to the general term and covers State boards, intermediate administrative unit boards, and local basic administrative unit boards.

Bond – A written promise, generally under seal, to pay a specified sum of money, called the face value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, usually payable periodically. The difference between a note and a bond is that the latter usually runs for a longer periods of time and requires greater legal formality.

Bonded Debt – The part of the school district debt which is covered by outstanding bonds of the district. Sometimes called “Funded Debt or Bonded Indebtedness.”

Bonds Authorized and Unissued – Bonds that have been legally authorized but not issued and which can be issued and sold without further authorization.

Bonds Issued – Bonds sold.

Bonds Payable – The face value of bonds issued and unpaid.

Budget – A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them. The budget usually consists of three parts: The first part contains a message from the budget-making authority together with a summary of the proposed expenditures and the means of financing them.

The second part consists of schedules supporting the summary. These schedules show in detail the proposed expenditures and means of financing them, together with information as to past years’ actual revenues and expenditures and other data used in making the estimates. The third part is composed of drafts of the appropriation, revenue, and borrowing measures necessary to put the budget into effect.

Budgetary Accounts – Those accounts necessary to reflect budget operations and conditions, such as estimated revenues, appropriations, and encumbrances, the net balance, and other related information.

Capital Budget – A plan of proposed capital outlays and the means of financing them for the fiscal period. It is usually a part of the current budget. A capital program is sometimes referred to as a capital budget.

Capital Outlays – Expenditures which result in the acquisition of or addition to fixed assets.

Capital Program – A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long term work program or otherwise. It sets forth each project or other contemplated expenditure in which the local education agency is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

CBA – acronym for Campus Based Assessment

CED – County Education District

Cocurricular Activities – Direct and personal services for public school pupils, such as interscholastic athletics, entertainments, publications, clubs, band, and orchestra, that are managed or operated by the student body under the guidance and direction of an adult, and are not part of the regular instructional program.

Community Services – Those services which are provided for the community as a whole or some segment of the community and which are not restricted to the public schools or adult education programs.

Consultant – A resource person who provides assistance to the regular personnel through conference, demonstration, research, or other means. There are two types of consultants; those retained on a temporary basis and those who are permanently employed.

Contracted Services – Labor, material, and other costs for services rendered by personnel who are not on the payroll of the local education agency.

CRE – Coordinated Review Effort - federal audit of child nutrition program

Credit Rating – A published ranking, based on detailed financial analysis by a credit bureau, of one's financial history, specifically as it relates to one's ability to meet debt obligations. The highest rating is usually AAA, and the lowest is D. Lenders use this information to decide whether to approve

Current – As used in this manual, the term has reference to the fiscal year in progress.

Current Budget – The annual budget prepared for and effective during the present fiscal year.

Current Expenditures per Pupil – Current expenditures for a given period of time divided by a pupil unit of measure (average daily membership, average daily attendance, etc.)

Current Year's Tax Levy – Taxes levied for the current fiscal period.

DAEP – acronym for District Alternative Education Program

Debt – An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of local education agencies include bonds, warrants, and notes, etc.

Debt Limit – The maximum amount of gross or net debt which is legally permitted.

Debt Service – Debt Service refers to the semi-annual amount of money needed to pay the interest and principal payments on a bond issue.

Debt Service Fund – A fund used to account for the accumulation of resources and payment of principal and interest on all bonds.

Defeasement – To render null and void an agreement, commitment or obligation specified in a written document. When a bond issue is refunded and an escrow is established for the benefit of its bondholders the terms of the original indenture and obligations of the Trustee are generally said to have been defeased. The Original trust indenture is supplanted by the newly formed escrow agreement.

Deficit – The excess of the obligations of a fund over the fund's resources.

Delinquent Taxes – Taxes remaining unpaid on and after the date on which they become delinquent by statute.

DTR – Acronym for district tax rate.

ELL – English Language Learner

Encumbrances – Commitments related to unperformed (executory) contracts for goods or

EOC – Acronym for End of Course.

ES – Acronym for Elementary School.

Estimated Revenue – When the accounts are kept on an accrual basis, this term designates the amount of revenue estimated to accrue during a given period regardless of whether or not it is all to be collected during the period.

Existing Debt Allotment (EDA) – Sometimes referred to as Tier III funding. Granted by the 1999 Legislature guarantees \$35 per student in state and local funds for each cent of effort (up to a maximum of \$.12 per \$100 valuation) to pay the principal and interest on eligible bonds. Eligible bonds are those that require a debt service payment during the 1998-99 fiscal year.

Expenditures – This includes total charges incurred, whether paid or unpaid, for current expense, capital outlay, and debt service. (Transfers between funds, encumbrances, and payments of cash in settlement of liabilities already accounted as expenditures are not considered as

Expenses - Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges which are presumed to benefit the current fiscal period. Note, legal provisions sometimes make it necessary to treat as expenses some charges whose benefits extend over future periods. For example, purchases of materials and supplies which may be used over a period of more than one year and payments for insurance which is to be in force for a period longer than one year frequently must be charged in their entirety to the appropriation of the year in which they are incurred and classified as expenses of that year even though their benefits extend also to other periods.

First – Financial Integrity Rating System of Texas

Fiscal Year – A twelve-month period of time to which the annual budget applies and at the end of which a local education agency determines its financial position and the results of its operations.

Fixed Assets – Land, building, machinery, furniture, and other equipment that the school district intends to hold or continue in use over a long period of time. "Fixed" denotes probability or intent to continue use or possession, and does not indicate immobility of an asset.

Food Service – Those activities which have as their purpose the preparation and serving of regular and incidental meals, lunches, or snacks in connection with school activities.

FTE – Acronym for full-time equivalent.

Function – As applied to expenditures, this term has reference to an activity or service aimed at accomplishing a certain purpose or end; for example, Instruction, Instructional Administration, Plant Maintenance and Operations.

Fund – A sum of money or other resource set-aside for specific activities of a school district. The fund accounts constitute a complete entity and all of the financial transactions for the particular fund are recorded in them.

Fund Accounting – A method of accounting that separates and tracks financial transactions to meet restrictions and reporting requirements imposed by funding sources.

Fund Balance – The excess of assets of a fund over its liabilities and reserves. During the fiscal year prior to closing, it represents the excess of the fund's assets and estimated revenues for the period over its liabilities, reserves, and appropriations for the period.

GAAP – Acronym for Generally Accepted Accounting Principles.

GASB – Acronym for Governmental Accounting Standards Board.

GED – Acronym for General Educational Development.

General Fund – A fund used to finance the ordinary operations of the local education agency. It is available for a legally authorized purpose and consists of money not specifically designated for some other particular purpose.

General Obligation Bonds – Bonds that carry a pledge of the general taxing power for the payment of debt obligations. General Obligation bonds are backed by the full faith and credit of the issuing governmental agency.

HAACP – Hazardous Analysis Critical Control Point

HS – Acronym for High School.

IB – Acronym for International Baccalaureate.

Instruction – The activities dealing directly with the teaching of students or improving the quality of teaching.

Instructional Facilities Allotment (IFA) – Granted by House Bill 4 in 1997, program provides a guaranteed level (\$35) of state and local funds per student per penny of tax effort applicable to debt service on eligible bonds. However, there is a limit on funding for each biennium so the District must apply for funding. The applications are ranked based on relative property wealth and funds are awarded up to the dollar limit available.

Interest – A fee charged a borrower for the use of money.

Inventory – A detailed list or record showing quantities, descriptions, values, and frequency, units of measure, and unit prices of property on hand.

I & S – Acronym for Interest & Sinking Fund (Debt Service Fund).

ISD – Acronym for Independent School District.

LAN – Acronym for local area network.

LEAP – The Learning Enrichment Academic Program is a program for students showing evidence of high performance in the area of general intellectual ability. The LEAP program identifies and serves children demonstrating giftedness revealed by learning potential tests.

Levy – (Verb) To impose taxes or special assessments. (Noun) The total of taxes or special assessments imposed by a governmental unit.

Long-Term Loan – A loan which extends for more than 5 years from the date the loan was obtained and is not secured by serial or term bonds. Such loans are not legal in Texas under the general statutes.

Modified Accrual Basis of Accounting – Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

M & O – Acronym for Maintenance and Operations Fund (General Fund).

MS – Acronym for Middle School.

NCES – National Center for Educational Statistics

Object – As applied to expenditures, this term has reference to an article or service received; for example, payroll costs, purchased and contracted services, materials, and supplies.

OMB – Office of Management and Budget

P & D Value – Pan analysis tool used on assessments to analyze the reliability and validity of the tests.

PAGE – acronym for Parents Advocating for Gifted Education

Payroll – A list of individual employees entitled to pay, with the amounts due to each for personal services rendered.

PBM – Performance based monitoring

Performance Measures – The specified level of performance on a specific performance

PEIMS – Acronym for Public Education Information Management System.

Personnel, Full-Time – School employees who occupy positions the duties of which require them to be on the job on school days, throughout the school year, at least the number of hours the schools in the system are in session.

Personnel, Part-Time – Personnel who occupy positions, the duties of which require less than full time-service. This includes those employed full-time for part of the school year, parttime for all of the school year, and part-time for part of the school year. See also Personnel, Full-Time.

PLAN – A software guidance resource that helps students measure their current academic development, explore career and training options, and make plans for the remaining year of high school and post-graduation years.

Plant Maintenance (Plant Repairs and Repairs and Replacements of Equipment)

Those activities which are concerned with keeping the grounds, buildings, and equipment at their original condition or completeness or efficiency, either through repairs or by replacements of property (anything less than replacement of a total building).

PO – Acronym for Purchase Order.

PPCD – Preschool Programs for Children with Disabilities is available for children aged 3 through 5. Students are provided instruction in all areas of early childhood development.

Principal of a School – The administrative head of a school (not school district) to who has been delegated the major responsibility for the coordination and supervision of the activities of the school.

Principal of Bonds – The face value of bonds.

Program – The definition of an effort to accomplish a specific objective or objectives consistent with funds or resources available. Budgets and actual revenue and expenditure records may be maintained per program.

Program Budget – A budget wherein expenditures are based primarily on programs of work and secondarily on character and object. A program budget is a transitional type of budget between the traditional character and object number, on the one hand, and the performance budget on the

Property Taxes – The valuation of property in the School District is determined by the County Tax Assessor. The School District levies a tax per \$100 of assessed valuation.

PSAT – Acronym for Preliminary Standardized Achievement Tests.

Purchase Order – A document authorizing the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

RADA – Acronym for Refined Average Daily Attendance.

Recapture – The recovery of financial resources from districts defined by the state as high property wealth.

Refunding Bonds – Bonds issued to pay off bonds already outstanding.

Reimbursement – Cash or other assets received as a repayment of the cost of work or services performed, or of other expenditures made for or on behalf of another governmental unit or department, or for an individual, firm, or corporation.

Reserve – An amount set aside for a specified purpose, or an account which records a portion of the fund balance that is to be segregated for some future use and, therefore, is not available for further appropriation and expenditure.

RPE – acronym for Reading Proficiency Tests in English

Salary – The total amount regularly paid or stipulated to be paid to an individual, before deductions, for personal services rendered while on the payroll of the school district. Payments for sabbatical leave are also considered as salary.

SAT – Acronym for Standardized Achievement Tests.

School – A division of the school system consisting of a group of pupils composed of one or more teachers to give instruction of a defined type, and housed in a school plant of one or more buildings. More than one school may be housed in one school plant, as is the case when the elementary and secondary programs are housed in the same school plant.

School, Elementary – A school classified as elementary by State and local practice and composed of any span of grades not above grade six. In this District this term includes kindergartens and pre-kindergartens if they are under the control of the local board of education.

School, Intermediate – A separately organized elementary school intermediate between early elementary and middle school.

School, Middle – A separately organized secondary school intermediate between elementary, intermediate, and senior high school. In this District middle schools include grades six through eight.

School, Public – A school operated by publicly elected or appointed school officials in which the program and activities are under the control of these officials and which is supported by public

School, Secondary – In this handbook a secondary school comprises any span of grades beginning with the next grade following the elementary/intermediate school and ending with or below grade 12, including middle schools, the different type of high schools, and alternative high schools.

School, Senior High – A school offering the final years of high school work necessary for graduation; invariably preceded by a middle school in the same system.

School, Summer – The name applied to the school session carried on during the period between the end of the regular school term and the beginning of the next regular school term.

SDAA – State Developed Alternative Assessment

SEM – Acronym for standard error of measurement

Student Wealth – Assessed value of property divided by school enrollment.

Supplemental Taxes – Taxes levied subsequent to the initial levy to add property omitted from the original tax roll(s).

Supply – A material item of an expendable nature that is consumed, worn out, or deteriorated in use; or one that loses its identity through fabrication or incorporation into a different or more complex unit or substance.

TAAS – Acronym for Texas Assessment Academic Skills exam.

TAKS – Acronym for Texas Assessment and Knowledge Skills Program.

TASPA – Acronym for Texas Academic Skills Program.

Taxes – Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit. The term includes licenses and permits. It does not include special assessments.

Tax Year – The twelve-month reporting period for which you are filing your taxes.

TEA – Acronym for the Texas Education Agency.

TEKS – Acronym for Texas Essential Knowledge and Skills.

TIF– Tax Increment Fund

TLI – Acronym for Texas Learning Index.

TRS – Acronym for Teacher Retirement System.

TSI – Texas Success Initiative

Unencumbered Balance of Appropriation – That portion of an appropriation not yet expended or encumbered; the balance remaining after deducting from the appropriation the accumulated expenditures and outstanding encumbrances.

Unexpended Balance of Appropriation – That portion of an appropriation not yet expended; the balance remaining after deducting from the appropriation the accumulated expenditures.

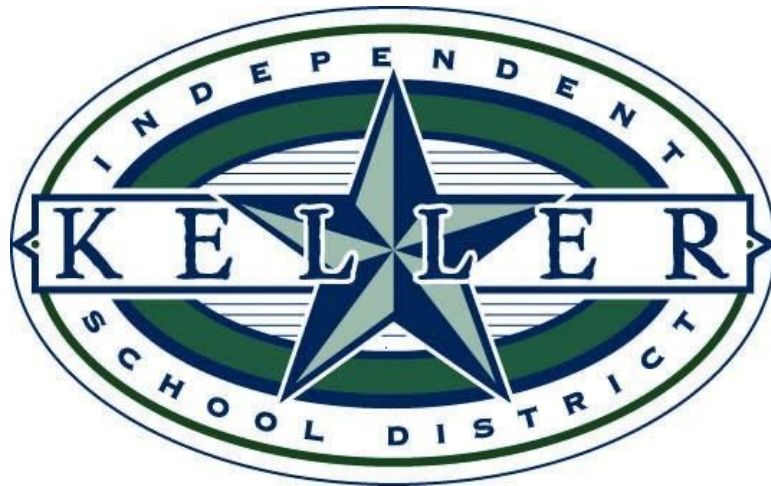
Unit Cost – Expenditures for a function, activity, or service divided by the total number of units for which the function, activity, or service was provided.

USDA – United States Department of Agriculture

WADA – Acronym for Weighted Average Daily Attendance. A combination of regular ADA and students enrolled in special programs such as special education and gifted & talented. A large component of state funding is based upon WADA.

WAN – Acronym for wide area network.

Workers' Compensation – Compensation provided to employees who are injured or contract an occupational disease due to their employment.



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