Building Upon a Foundation

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APRIL 12, 2018 | BOARD BRIEFING

Entry Plan Fall 2015

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Re-Entry Questions:

What is the most important expectation that you have of me as superintendent?

If you were in my shoes, what would you focus on first?

What do we need to do to make Dallas a premier urban district?

Responses:

1. Morale
2. Board Relations
3. Pull Everyone Together
4. Restore Calm
5. Communications
6. Professional Development
7. Stop the Churn
8. Support
9. Teacher Excellence Initiative
10. Build Trust

Entry Plan Fall 2015

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Re-Entry Question:

What three things happened in the last three years that you are most excited about?

Responses:

1. Teacher Excellence Initiative
2. Early Childhood Initiative
3. Culture of High Expectations
4. Principal Evaluation
5. Executive Director Structure
6. Instructional Focus
7. Public School Choice
8. Strong Cabinet
9. Compensation
10. Career and Tech
11. Autonomy

Vision: To be a Premier Urban School District

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Student Outcome Goals

Four goals focused on student achievement and participation in extracurricular and co-curricular activities

Strategic Initiatives

- Strategic Compensation
- Early Learning
- Public School Choice
- Collegiate Academies

Focus

- Theory of Action
- School Performance Framework (SPF)
- Racial Equity
- Market Share
- Culture – Customer Service
- Retention of Teachers

Key Milestones – Laying the Foundation

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	2015-16	2016-17	2017-18	2018-19
Student Outcome Goal 1	66	67	Pending TEA Cut Points	
Student Outcome Goal 2	63	64		
Student Outcome Goal 3	34	38		
Student Outcome Goal 4	31.5	59.0	70.6	-
Facilities	Passage of $1.6B Bond	Renovations and additions throughout the district	Developing Long Range Facilities Plan	
Early Learning Enrollment	10,413	11,503	12,429	12,930 est.
TEI Avg. Salary Increase	$2,739 71%	$1,553 57%	$1,652 90%	$1,801 95-98%
New Teachers Hired	1,927	1,723	1,200 (As of September 2017)	1,000 (est.)
IR Campuses	37	21	13	Less than 5 (anticipated)
ACE		1.0 – 7 schools	2.0 – 6 schools 13 total	ACE 3.0
ISN		1.0 – 7 schools	2.0 – 7 schools	

TBD = Pending TEA cut points

Key Milestones – Laying the Foundation

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	2015-16	2016-17	2017-18	2018-19
Collegiate Academies	3 ECHS	8	23	25
Two-way Dual Language	• 27 elementary • 4 middle • 1 high	• 39 elementary • 4 middle • 1 high	• 50 elementary • 4 middle • 1 high	• 51 elementary • 4 middle • 1 high
New Schools (Choice)		• Innovation, Design, Entrepreneurship Academy • Solar Prep for Girls • Young Men's Leadership School • Young Women's STEAM Academy	• City Lab	• Ignite • TAG Two-Way Dual Language • Sudie Williams TAG • Hernandez Montessori • Sam Houston Personalized Learning
New Initiatives		• Social Emotional Learning	• After 8 to Educate • Frazier House • District-wide Technology Plan • Office of Racial Equity • Building Comprehensive Curriculum	
Financial Stewardship	• Audit Financial Statements – unqualified opinion • **FIRST - Superior	• Audit Financial Statements – unqualified opinion • **FIRST - Superior	• Audit Financial Statements – unqualified opinion • **FIRST- Superior	

*** F.I.R.S.T – Financial Integrity Rating System of Texas*

Overview – Recruitment and Retention of Students/Texas

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The Why	Landscape of Dallas ISD
• To meet the demand for the district's programs • To be the premier district of choice for all families • To recruit and retain students in our communities • To develop a long-term strategy for fiscal sustainability	• Gentrification (e.g. Ross Avenue) • Charter Schools • Birth Rates

Texas Urban Council

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District	TED Enrollment FY 18	TED Enrollment FY 17	Difference
Houston	214,175	216,106	-1,931
Dallas	156,832	157,886	-1,054
Fort Worth	86,234	87,428	-1,194
Austin	81,650	83,067	-1,417
Aldine	67,331	69,768	-2,437
El Paso	58,236	59,424	-1,188
San Antonio	50,683	52,514	-1,831
Brownsville	45,578	46,880	-1,302
Ysleta	41,240	41,536	-296
Corpus Christi	38,014	38,327	-313

Source: TED (Texas Education Directory)

Fiscal Assumptions

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Assumptions	2017-18	2018-19 (est.)
Enrollment	156,832 (actual)	155,089
Average Daily Attendance (ADA)	143,982 (est.)	142,278
Weighted Average Daily Attendance (WADA)	202,917 (est.)	201,829
Per Capita	$206 (actual)	$447 (TEA estimate)
Changes in Property Values	7% (actual)	7%

Note: Without any Fiscal Notes / Exceptional Items

Recapture Projections

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Transformation, Innovation, and Magnet Campuses

Seats Summary (18-19 Open Seats)				
Program	**Original Open Seats**	**Added Seats**	**Total Seats**	**Recapture + Projections**
OTI	869	169	**1,038**	**400**
Magnets	5,624	527	**6,151**	**600**
ECHS	2,444	301	**2,745**	**301**
**OTI – Solar Prep for Boys at Kennedy	0	330	**330**	**100**
**OTI – Personalized DREAM Prep at Sam Houston	0	225	**225**	**50**
**OTI - K-8 Montessori at Hernandez	0	264	**264**	**75**
Total	**8,937**	**1,816**	**10,753**	**1,526**

*** New OTI schools proposed for 2018-2019*

2018-19 Preliminary Budget Scenario

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Expenditure	Revenue	Description
$1,440,452,911		Expenditure Budget 2017-2018, as of October 31, 2017
	$1,433,424,919	Revenue Budget 2017-18, as of February 28, 2018
	($37,420,773)	Non-Reoccurring Revenue (One time revenue)
	($39,674,243)	TEA Summary of Finance Template – Recapture
	($75,991,374)	TEA Summary of Finance Template – Decrease in Foundation
	$75,591,072	Increase in M & O Taxes – 7% Increase in Property Values
	$33,950,162	TEA Summary of Finances – Increase in Per Capita
$1,440,452,911	$1,389,879,763	
	Difference $50,573,148	*Staffing adjustments and reductions in Central Staff – ~37M
Projected Difference for FY 19 Budget – ~ 13M		

Proportionality

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Campus Staff
• Adoption of school staffing formulas • 477 teachers identified in excess – 5% • Teachers identified for positions in different locations

Central Staff
• Identification of 7% projected reduction in non-campus support staff – total of 121 positions • Vacancies identified to be eliminated • Reduction of positions

State School Funds Comparison

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Dallas Independent School District

State School Funds Comparison

	Foundation Funds	Per Capita Funds
2013-14	$ 313,688,762	$ 38,204,925
2014-15	318,545,206	38,742,312
2015-16	304,357,334	26,621,330
2016-17	183,921,104	56,864,414
2017-18	132,528,597	29,881,757
2018-19	78,789,231	63,831,938

Chapter 41 Eligibility Calculation

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Dallas Independent School District

Chapter 41 Eligibility Calculation

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
WADA	205,125	207,281	206,107	204,581	202,917	201,829
DPV (T2)	$ 75,006,290,709	$ 78,702,347,962	$ 82,881,241,992	$ 90,936,843,690	$ 100,195,091,348	$ 108,671,484,153
DPV (T4)				$ 89,181,137,701	$ 98,286,786,394	$ 106,498,054,470
Wealth (T2)	**$ 365,662**	**$ 379,688**	**$ 402,126**	**$ 444,504**	**$ 493,774**	**$ 538,433**
Wealth (T4)				$ 435,922	$ 484,369	$ 527,665

Note: If the wealth per weighted average daily student exceeds $514,000 for 2018-19, it will put Dallas ISD in the position of paying some recapture. Starting in 2016-17, TEA changed the property value that is used for calculating Chapte 41 status to recognize 50% of the optional homestead property exemption. However, this shift is being disputed by property poor (Chapter 42) districts and a hearing is scheduled for March.

4-Year Budget Forecast

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Dallas ISD Budget Plan

Dallas Independent School District

Four Year Forecast

General Fund

	2017-18	2018-19	2019-20	2020-21	2021-22
Beginning Unassigned Fund Balance	**$ 133,385,186**	**$ 137,623,689**	**$ 197,699,317**	**$ 192,899,399**	**$ 179,520,931**
Revenue		7% PV Growth	7% PV Growth	5% PV Growth	4% PV Growth
Taxes-Current Year	1,071,872,467	1,299,896,481	1,390,878,534	1,460,422,460	1,533,443,583
Other Local Revenue	37,102,284	37,102,284	37,102,284	37,102,284	37,102,284
State-Foundation	132,528,597	78,789,231	74,126,137	70,268,457	66,892,113
State-Per Capita	29,881,757	63,831,938	29,389,797	51,220,080	29,389,797
TRS On-Behalf	56,000,000	56,000,000	56,000,000	56,000,000	56,000,000
Additional					
Other State Revenue	728,426	728,426	728,426	728,426	728,426
Sch Health & Related Services	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Interest Subsidy	25,762,201	25,762,201	25,762,201	25,762,201	25,762,201
ROTC	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
Indirect Costs	1,776,605	1,776,605	1,776,605	1,776,605	1,776,605
Additional State Aid For Homestead Exemption	2,405,668	2,405,668	2,405,668	2,405,668	2,405,668
Other Financial Resources	37,420,773				
Total Revenues	**1,431,778,778**	**1,602,592,834**	**1,654,469,652**	**1,741,986,181**	**1,789,800,677**

4-Year Budget Forecast Cont.

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Dallas ISD Budget Plan

	2017-18	2018-19	2019-20	2020-21	2021-22
Expenditures					
11-Instruction	828,533,106	828,533,106	828,533,106	828,533,106	828,533,106
12-Instructional Resources	19,217,767	19,217,767	19,217,767	19,217,767	19,217,767
13-C and I Staff Development	14,758,143	14,758,143	14,758,143	14,758,143	14,758,143
21-Instructional Leadership	35,744,302	35,744,302	35,744,302	35,744,302	35,744,302
23-School Leadership	91,939,334	91,939,334	91,939,334	91,939,334	91,939,334
31-Health Services	55,560,348	55,560,348	55,560,348	55,560,348	55,560,348
32-Social Work Services	2,045,980	2,045,980	2,045,980	2,045,980	2,045,980
33-Health Services	19,826,481	19,826,481	19,826,481	19,826,481	19,826,481
34-Student Trans.	52,127,552	52,127,552	52,127,552	52,127,552	52,127,552
36-Co-Curricular Activities	32,463,135	32,463,135	32,463,135	32,463,135	32,463,135
41-General Administration	50,182,233	50,182,233	50,182,233	50,182,233	50,182,233
51 Plant Maint. and Operation	151,141,048	151,141,048	151,141,048	151,141,048	151,141,048
52-Security Services	22,867,764	22,867,764	22,867,764	22,867,764	22,867,764
53-Data Processing Services	32,848,881	32,848,881	32,848,881	32,848,881	32,848,881
61-Community Services	3,784,706	3,784,706	3,784,706	3,784,706	3,784,706
71-Debt Services	8,377,237	8,377,237	8,377,237	8,377,237	8,377,237
81-Facility Acquisition and Construction	13,728,501				
91- Chapter 41 Payment		79,706,058	169,427,508	238,491,673	312,489,724
95-JJAEP Payment	86,300	86,300	86,300	86,300	86,300
97-Tax Increment Fund	65,673	65,673	65,673	65,673	65,673
99-Other Gov't. Payment	5,074,784	5,074,784	5,074,784	5,074,784	5,074,784
Other Uses	7,167,000				
Total Expenditures	**1,447,540,275**	**1,506,350,832**	**1,596,072,282**	**1,665,136,447**	**1,739,134,498**

4-Year Budget Forecast Cont.

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Dallas ISD Budget Plan

	2017-18	2018-19	2019-20	2020-21	2021-22
Adjustments to Rev & Exp Actuals	20,000,000	-			
TEI @ 2%	-	16,960,000	16,960,000	16,960,000	16,960,000
PEI 3%, API 3%, Ed 3%	-	15,106,374	15,106,374	15,106,374	15,106,374
Nurses 3%, Counselors 3%,					
Librarians 3% , all other staff 3%	-				
OTI *		1,000,000	1,000,000	1,000,000	1,000,000
Racial Equity ***					
Early Learning ****	-	3,100,000	3,100,000	3,100,000	3,100,000
TEI @ 2%	-		16,960,000	16,960,000	16,960,000
PEI 2%, API 2%, Ed 2%			10,070,914	10,070,914	10,070,914
Nurses 2%, Counselors 2%,	-				
Librarians 2% , all other staff 2%	-				
	-				
TEI @ 2%				16,960,000	16,960,000
PEI 2%, API 2%, Ed 2%				10,070,914	10,070,914
Nurses 2%, Counselors 2%,					
Librarians 2% , all other staff 2%					
Changes to Budget	**20,000,000**	**36,166,374**	**63,197,288**	**90,228,202**	**90,228,202**
Ending Unassigned Fund Balance	**137,623,689**	**197,699,317**	**192,899,399**	**179,520,931**	**139,958,908**

* OTI receive their funding from the base GF budget. This $1.0 mil. is for new OTI campuses.

** Racial Equity has $2.0 mil. in the base GF budget.

*** Early Learning has an additional $2.0 in the base GF budget.

Percentage of Taxable Value

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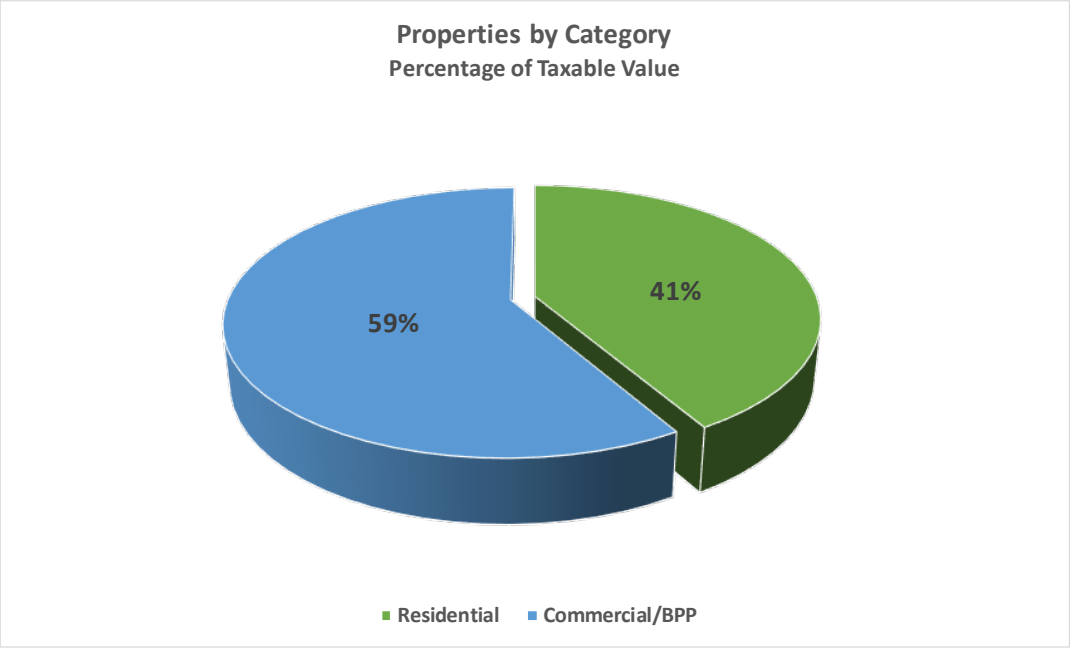
Category	Parcels	% of Total Parcels	Taxable Value	% of Taxable Value
Residential	265,367	75%	44,939,988,730	41%
Commercial/BPP	87,857	25%	63,542,815,179	59%
Total	**353,224**		**$ 108,482,803,909**	



Tax Exemption Information

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Dallas Independent School District

Tax Exemption Information

	Parcels	Exemption Note
Jurisdiction Total	353,224	
Totally Exempt		
Totally Exempt	11,013	
Prorated Total Exempt	390	
Partial Exemptions		
Homestead	150,227	State $25,000 on Residence Homestead; 10% Local Optional Homestead
Capped Value Loss	77,007	
Over -65	50,370	State Mandated $10,000 and $35,000 Local Optional
Disabled Persons	7,652	State Mandated $10,000 and $35,000 Local Optional
Disabled Veterans	1,972	Based on Veterans Affairs Disability Rating: $5,000 - 10%-29% Disability $7,500 - 30% - 49% Disability $10,000 - 50% - 69% Disability $12,000 - 70% - 100% Disability
100% Disabled Veterans	534	

Homeowner Impact

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Home Value	$50,000				$100,000			
Tax Rate	Annual	Monthly	Annual Increase	Monthly Increase	Annual	Monthly	Annual Increase	Monthly Increase
$1.17	$585	$49	$65	**$6**	$1,170	$98	$130	**$11**

Home Value	$184,574				$200,000			
Tax Rate	Annual	Monthly	Annual Increase	Monthly Increase	Annual	Monthly	Annual Increase	Monthly Increase
$1.17	$2,160	$180	$240	**$20**	$2,340	$195	$260	**$22**

Home Value	$300,000				$400,000			
Tax Rate	Annual	Monthly	Annual Increase	Monthly Increase	Annual	Monthly	Annual Increase	Monthly Increase
$1.17	$3,510	$293	$390	**$33**	$4,680	$390	$520	**$43**

TRE Data for Surrounding Districts

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Dallas, Collin, Denton and Tarrant

Dallas Independent School District

TRE's Ratified

Dallas County	Eco. Disc.	Tax Rate
Carrollton-FarmersBranch	65%	
Cedar Hill *	68%	
Coppell	9%	1.17
Dallas	88%	
Desoto	72%	1.17
Duncanville *	76%	
Grand Prarie	76%	1.17
Highland Park	0%	
Irving	78%	1.17
Lancaster	87%	
Mesquite	75%	
Richarson	54%	
Sunnyvale	15%	
Subtotal -		4/13

Collin County	Eco. Disc.	Tax Rate
Allen	15%	1.17
Anna	41%	1.17
Blue Ridge	50%	1.17
Celina	24%	1.17
Community	45%	1.17
Farmersville	52%	1.17
Frisco*	11%	
Lovejoy	3%	1.17
McKinney	30%	1.17
Melissa	16%	1.17
Plano	29%	1.17
Princeton	58%	1.17
Prosper	6%	1.17
Wylie	26%	1.17
		13/14

Denton County	Eco. Disc.	Tax Rate
Argyle	8%	1.17
Aubrey	29%	
Denton	42%	1.17
Krum	36%	1.17
Lake Dallas	40%	1.17
Lewisville *	32%	
Little Elm	43%	1.17
Northwest	18%	
Pilot Point	54%	1.17
Ponder	40%	
Sanger	43%	1.17
		7/11

Tarrant County	Eco. Disc.	Tax Rate
Arlington	69%	
Azle	46%	
Birdville	57%	
Carroll *	1%	
Castleberry	80%	1.17
Crowley	58%	1.17
Eagle Mt. Saginaw	43%	1.17
Everman	91%	1.17
Fort Worth	77%	1.06
Grapevine-Colleyville	23%	
HEB	52%	
Keller *	24%	
Kennedale	39%	1.17
Lake Worth	80%	1.17
Mansfield	40%	
White Settlement	55%	
		7/16

Total Districts--54
Total Ratified Elections--31
Not Ratified - *
M&O only not I&S

Recommendation

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Highlights of Investment

Administration Recommendation:

Provide stakeholders the opportunity to vote on a 13 cent TRE

Investment supports:

- Attracting and retaining high quality teachers and staff
- On-going support for building a strong early learning foundation for students
- Expanding parent and student's opportunity of public school choice
- Ensuring racial equity throughout the district
- Being fiscally prudent in building assigned fund balance

Thank you!