



Agenda Item Details

Meeting	Nov 13, 2018 - Regular Meeting of the Board of Trustees
Category	5. CONSENT AGENDA
Subject	D. Budgetary Transfers and Amendments and Resolution for the Commitments of Fund Balance
Access	Public
Type	Action (Consent)
Fiscal Impact	Yes
Dollar Amount	1,825,000.00
Budgeted	Yes
Budget Source	Assigned General Fund Balance
Recommended Action	Motion to approve the listing of budgetary transfers and amendments including the Resolution for the Commitments of Fund Balance.
Goals	

Public Content

Board Policy/State Regulation/Law Reference (If Applicable): Texas Education Code Section 44.006; Texas Education Agency Financial Accountability System Resource Guide (FASRG) Sections 2.10.6 and 5.3.4 and Board Policy CE(LEGAL), CE(LOCAL), and CE(REGULATION).

Approval of the budgetary amendments will allow the District to maintain compliance with the above-referenced statutes.

Fiscal Impact:

Assigned General Fund Balance will decrease by \$1,825,000. There is no change to the Unassigned General Fund Balance, National School Breakfast & Lunch Program Restricted Fund Balance or the Debt Service Fund Restricted Fund Balance.

[A-1 BUDGETARY AMENDMENTS DETAIL.pdf \(24 KB\)](#)

[A-2 BUDGET SUMMARY.pdf \(38 KB\)](#)

[A-3 RESOLUTION.pdf \(392 KB\)](#)

[A-4 POLICY CE LOCAL.pdf \(44 KB\)](#)

Administrative Content

Motion & Voting

Motion to approve Consent Agenda Items A-J as presented except F.

Motion by Martina Lemond Dixon, second by Angela Conrad.

Final Resolution: Motion Carries

Yea: Angela Conrad, Charles Cunningham, Keith Lapeze, Nancy Morrison, Robert Sitton, Colin Carney, Martina Lemond Dixon

Humble Independent School District
 Budgetary Amendments Detail
 November 13, 2018

General Fund Explanation of Amendment	Net Effect on Fund Balance	Change in Estimated Revenues	Instruction	Media Svcs	Staff Develop	Instruct Leadership	School Leadership	Guidance/Counsel	Social Svcs	Health Svcs	Pupil Transp	Cocurric/ Extracurr	Gen Admin	Maint & Operation	Security Svcs	Data Process	Commun Svcs	Debt Svc	Facility Acquisit	Juvenile Justice	TIRZ	Other	
			11	12	13	21	23	31	32	33	34	36	41	51	52	53	61	71	81	95	97	99	
Items Affecting Fund Balance: Establish budget for NWN Settlement payment.	(1,825,000)												1,825,000										
Items Affecting Revenues and Functional Categories:																							
Transfers Between Functional Categories: Transfers between functional categories for proper coding of substitute wages, stipends, other professional svcs, misc contracted svcs, general supplies, field trips, misc operating expenses, capital outlay > \$5,000 and classroom furniture.			(59,353)	0	15,230	24,999	0	0	0	0	0	22,000	0	0	0	0	0	0	(2,876)	0	0	0	
Totals	(1,825,000)	0	(59,353)	0	15,230	24,999	0	0	0	0	0	22,000	1,825,000	0	0	0	0	0	(2,876)	0	0	0	

National School Breakfast & Lunch Program Explanation of Amendment	Net Effect on Fund Bal	Change in Estimated Revenues	Revenue			Food Service	Maint & Operation	Security Svcs	Data Process	Facility Acquisit
			Local 57XX	State 58XX	Federal 59XX	35	51	52	53	81
Items Affecting Fund Balance:										
Items Affecting Revenues and Functional Categories:										
Transfers Between Functional Categories:										
Totals	0	0	0	0	0	0	0	0	0	0

Debt Service Explanation of Amendment	Net Effect on Fund Bal	Change in Estimated Revenues	Transfers In	Revenue		Transfers Out	Expenditures	
			79XX	Local 57XX	State 58XX	Debt	TIRZ	
Items Affecting Fund Balance:								
Items Affecting Revenues and Functional Categories:								
Transfers Between Functional Categories:								
Totals	0	0	0	0	0	0	0	0

HUMBLE I.S.D 2018-19 BUDGET SUMMARY

Tuesday, November 13, 2018

General Fund	Adopted Budget	Amended Budget October 9, 2018	Proposed November 2018 Amendments	Proposed Amended Budget November 13, 2018
Budgeted Fund Balance at June 30, 2018 (Audited)				
Unassigned	\$91,712,601			\$91,712,601
A010 Encumbrances	\$9,395,262			\$9,395,262
Non-Spendable	\$2,407,324			\$2,407,324
Other Assigned	\$62,151,722			\$62,151,722
Total	<u>\$165,666,909</u>			<u>\$165,666,909</u>
REVENUES:				
Local Taxes	\$170,213,337	\$170,213,337		\$170,213,337
Local TIRZ	\$10,425,000	\$10,425,000		\$10,425,000
Local Other	\$4,450,000	\$4,450,000		\$4,450,000
State	\$168,387,362	\$168,387,362		\$168,387,362
State Other	\$0	\$0		\$0
TRS On-Behalf	\$18,257,003	\$18,257,003		\$18,257,003
Federal	\$4,600,000	\$4,600,000		\$4,600,000
Transfers In	\$0	\$0		\$0
TOTAL REVENUES AND OTHER SOURCES	<u>\$376,332,702</u>	<u>\$376,332,702</u>	<u>\$0</u>	<u>\$376,332,702</u>
EXPENDITURES:				
11 Instruction	\$225,088,297	\$226,622,530	(\$59,353)	\$226,563,177
12 Instructional Resources & Media Svcs.	\$3,455,034	\$3,507,511		\$3,507,511
13 Curriculum Dev. & Instructional Staff Dev.	\$12,716,815	\$13,314,501	\$15,230	\$13,329,731
21 Instructional Leadership	\$3,752,143	\$3,847,927	\$24,999	\$3,872,926
23 School Leadership	\$22,208,302	\$22,284,865		\$22,284,865
31 Guidance, Counseling & Evaluation Svcs.	\$17,866,722	\$17,972,738		\$17,972,738
32 Social Work Services	\$265,925	\$265,925		\$265,925
33 Health Services	\$3,819,137	\$3,842,190		\$3,842,190
34 Student (Pupil) Transportation	\$11,643,787	\$12,991,273		\$12,991,273
36 Cocurricular / Extracurricular Activities	\$7,934,494	\$8,204,056	\$22,000	\$8,226,056
41 General Administration	\$10,935,025	\$12,947,508	\$1,825,000	\$14,772,508
51 Plant Maintenance & Operations	\$35,519,678	\$39,647,614		\$39,647,614
52 Security & Monitoring Svcs.	\$5,237,070	\$6,749,802		\$6,749,802
53 Data Processing Svcs.	\$5,336,336	\$5,485,599		\$5,485,599
61 Community Svcs.	\$809,959	\$810,217		\$810,217
71 Debt Service	\$0	\$0		\$0
81 Facilities Acquisition & Construction	\$0	\$1,678,895	(\$2,876)	\$1,676,019
95 Payments to Juvenile Justice Prg.	\$144,100	\$144,100		\$144,100
97 Payments to Tax Increment Fund	\$7,000,000	\$7,000,000		\$7,000,000
99 Other Intergovernmental Charges	\$1,800,000	\$1,922,900		\$1,922,900
Other Uses		\$0		\$0
TOTAL EXPENDITURES	<u>\$375,532,824</u>	<u>\$389,240,151</u>	<u>\$1,825,000</u>	<u>\$391,065,151</u>
Net Revenues over Expenditures	<u>\$799,878</u>	<u>(\$12,907,449)</u>	<u>(\$1,825,000)</u>	<u>(\$14,732,449)</u>
Transfers Out		\$0		\$0
Net Revenues and Other Sources over Expenditures	<u>\$799,878</u>	<u>(\$12,907,449)</u>		<u>(\$12,907,449)</u>
Projected Fund Balance at June 30, 2019				
Unassigned	\$92,512,479	\$91,894,142	\$0	\$91,894,142
Encumbrances	\$9,395,262	\$0		\$0
Non-Spendable	\$2,407,324	\$2,407,324		\$2,407,324
Other Assigned	\$62,151,722	\$57,837,094	(\$1,825,000)	\$56,012,094
Total	<u>\$165,666,909</u>	<u>\$152,138,560</u>	<u>(\$1,825,000)</u>	<u>\$150,313,560</u>

HUMBLE I.S.D 2018-19 BUDGET SUMMARY
 Tuesday, November 13, 2018

General Fund	Adopted Budget	Amended Budget October 9, 2018	Proposed November 2018 Amendments	Proposed Amended Budget November 13, 2018
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FUND BALANCE ASSIGNMENTS:

A020	Safe/Nurturing School Environment	\$136,357	\$0	\$0
A001	E-Rate	\$12,389	\$0	\$0
A007	Facility Rental	\$2,069	\$0	\$0
A014	Technology	\$48,237	\$0	\$0
A004	Insurance Deductibles	\$79,034	\$0	\$0
A003	Legal Services	\$21,500	\$0	\$0
A008	Special Education	\$728,597	\$0	\$0
A033	Division Controllable & Cap Assets	\$245,404	\$0	\$0
A028	Tech Controllable & Capital Assets	\$39,619	\$0	\$0
A024	Portable Buildings	\$97,623	\$0	\$0
A030	Buses	\$1,111,883	\$0	\$0
A029	Repairs & Maintenance	\$336,325	\$0	\$0
A018	Emergency Preparedness	\$4,239,572	\$4,000,000	\$4,000,000
A032	One-Time Expenditures	\$4,386,412	\$3,204,100	(\$1,825,000) \$1,379,100
A013	Capital Expenditures	\$49,666,701	\$49,632,994	\$49,632,994
	Nonrecurring, Noncapital Purchases	\$1,000,000	\$1,000,000	\$1,000,000
TOTAL ASSIGNED FUND BALANCE		\$62,151,722	\$57,837,094	(\$1,825,000) \$56,012,094

HUMBLE I.S.D 2018-19 BUDGET SUMMARY

Tuesday, November 13, 2018

NATIONAL SCHOOL BREAKFAST AND LUNCH PGM	Adopted Budget	Amended Budget October 9, 2018	Proposed November 2018 Amendments	Proposed Amended Budget November 13, 2018
Budgeted Fund Balance at June 30, 2018 (Audited)				
Restricted	\$ 3,959,725	\$ 3,959,725		\$ 3,959,725
Non-Spendable	220,338	\$ 220,338		220,338
Total	<u>\$ 4,180,063</u>	<u>\$ 4,180,063</u>		<u>\$ 4,180,063</u>
REVENUES:				
Local Revenue	\$9,114,100	\$9,114,100		\$9,114,100
State	\$90,900	\$90,900		\$90,900
Federal	\$10,256,299	\$10,256,299		\$10,256,299
Transfers In	\$0	\$0		\$0
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 19,461,299</u>	<u>\$ 19,461,299</u>	<u>\$ -</u>	<u>\$ 19,461,299</u>
EXPENDITURES:				
35 Food Services	\$18,594,607	\$18,558,107		\$18,558,107
51 Plant Maintenance & Operations	\$810,157	\$846,657		\$846,657
52 Security & Monitoring Services	\$55,209	\$55,209		\$55,209
53 Data Processing Svcs	\$1,326	\$1,326		\$1,326
81 Facilities Acquisition/Construction	\$0	\$0		\$0
TOTAL EXPENDITURES	<u>\$ 19,461,299</u>	<u>\$ 19,461,299</u>	<u>\$ -</u>	<u>\$ 19,461,299</u>
Net Revenues and Other Sources over Expenditures and Other Uses	0	0	0	0
Budgeted Fund Balance at June 30, 2019				
Restricted	\$ 3,959,725	\$3,959,725	\$ -	\$3,959,725
Non-Spendable	220,338	\$220,338		\$220,338
Total	<u>\$4,180,063</u>	<u>\$4,180,063</u>	<u>\$0</u>	<u>\$4,180,063</u>

HUMBLE I.S.D 2018-19 BUDGET SUMMARY

Tuesday, November 13, 2018

DEBT SERVICE	Adopted Budget	Amended Budget October 9, 2018	Proposed November 2018 Amendments	Proposed Amended Budget November 13, 2018
Budgeted Fund Balance at June 30, 2018 (Audited)				
Restricted	\$ 49,342,434			\$ 49,342,434
Total	<u>\$ 49,342,434</u>			<u>\$ 49,342,434</u>
REVENUES:				
Local Taxes	\$52,704,812	\$52,704,812		\$52,704,812
Local - TIRZ	\$2,500,000	\$2,500,000		\$2,500,000
Local Other	\$8,760,000	\$8,760,000		\$8,760,000
State	\$1,822,218	\$1,822,218		\$1,822,218
TOTAL REVENUES AND OTHER SOURCES	<u>\$ 65,787,030</u>	<u>\$ 65,787,030</u>	<u>\$ -</u>	<u>\$ 65,787,030</u>
EXPENDITURES:				
71 Debt Service	\$55,825,669	\$55,825,669		\$55,825,669
97 Payments to Tax Increment Fund	\$5,000,000	\$5,000,000		\$5,000,000
TOTAL EXPENDITURES	<u>\$ 60,825,669</u>	<u>\$ 60,825,669</u>	<u>\$ -</u>	<u>\$ 60,825,669</u>
Net Revenues and Other Sources over Expenditures and Other Uses	4,961,361	4,961,361	0	4,961,361
Other Financing Sources and Uses				
Other Resources (Transfer In)	\$0	\$0		\$0
Sale of Bonds	\$0	\$0		\$0
Premium/Discount-Bonds	\$0	\$0		\$0
Prepaid Interest	\$0	\$0		\$0
Other Resources	\$0	\$0		\$0
Other Uses (Transfer Out)	\$0	\$0		\$0
Budgeted Fund Balance at June 30, 2019				
Restricted	\$ 54,303,795	\$54,303,795	\$0	\$54,303,795
Total	<u>\$ 54,303,795</u>	<u>\$54,303,795</u>	<u>\$0</u>	<u>\$54,303,795</u>

STATE OF TEXAS
COUNTY OF HARRIS

RESOLUTION

The Board of Trustees of Humble Independent School District being convened in Regular Session at the Administration Building within the boundaries of the Humble Independent School District, on the 13th day of November, 2018, with a quorum present in the persons of

Trustees being absent: _____

WHEREAS Trustee _____ introduced the following order, moved its adoption, and the motion having been seconded by Trustee _____ was duly put and carried, said Order reading as follows:

IT IS HEREBY RESOLVED, ordered, and directed that the Humble Independent School District commits the following portions of its June 30, 2018 Special Revenue Funds Unassigned Fund Balance. (Note: All special revenue funds must be restricted by grantor/donor or must be committed by Board of Trustees prior to year-end or the fund will be reclassified to the General Fund.)

BE IT RESOLVED, the District commits \$4,146,645 for Campus Activity Funds.

BE IT RESOLVED, the District commits \$73,423 for Livestock Activity Funds.

BE IT RESOLVED, the District commits \$374,548 for Athletic Activity Funds.

BE IT RESOLVED, the District commits \$299,462 for Departmental Activity Funds.

IT IS HEREBY RESOLVED, ordered, and directed that the Humble Independent School District commits the following portions of its June 30, 2018 Internal Service Funds Unassigned Fund Balance.

BE IT RESOLVED, the District commits \$6,316,413 for Self-Funded Insurance.

BE IT RESOLVED, the District commits \$6,357,600 for the Public Entity Risk Pool.

BE IT RESOLVED, the District commits \$196,025 for the Child Care Program.

Mr. Charles Cunningham, President
Humble ISD Board of Trustees

Attest:

Mr. Robert Sitton, Secretary
Humble ISD Board of Trustees

ANNUAL OPERATING BUDGET

CE
(LOCAL)

FISCAL YEAR	The District shall operate on a fiscal year beginning July 1 and ending June 30.
BUDGET PLANNING	Budget planning shall be an integral part of overall program planning so that the budget effectively reflects the District's programs and activities and provides the resources to implement them. The budget process shall be guided by the Board goals and budget planning parameters. In the budget planning process, general educational goals, specific program goals, and alternatives for achieving program goals shall be considered, as well as input from the District- and campus-level planning and decision-making committees. Budget planning and evaluation are continuous processes and shall be a part of each month's activities.
BUDGET HEARING	<p>The annual public meeting to discuss the proposed budget and tax rate shall be conducted as follows:</p> <ol style="list-style-type: none">1. The Board President shall request at the beginning of the meeting that all persons who desire to speak on the proposed budget and/or tax rate sign up on the sheet provided.2. Prior to the beginning of the meeting, the Board may establish time limits for speakers.3. Speakers shall confine their remarks to the appropriation of funds as contained in the proposed budget and/or the tax rate.4. No officer or employee of the District shall be required to respond to questions from speakers at the meeting.
AUTHORIZED EXPENDITURES	The adopted budget provides authority to expend funds for the purposes indicated and in accordance with state law, Board policy, and the District's approved purchasing procedures. The expenditure of funds shall be under the direction of the Superintendent or designee who shall ensure that funds are expended in accordance with the adopted budget.
BUDGET AMENDMENTS	The Board shall amend the budget for the general fund, the national school breakfast and lunch program fund, and the debt service fund when a change is requested to increase or decrease any functional spending category or revenue and other resources major object category. The Board shall adopt the initial budget by project for each bond sale and amend the budget for capital projects funds when a change is requested to increase or decrease the total amount of any designated project. Finally, other special revenue fund budgets for federal and grant programs shall be presented as needed as supplemental data (as opposed to prior approval) under guidelines adopted by the Board.

ANNUAL OPERATING BUDGET

CE
(LOCAL)

BUDGET CONTROL	Primary responsibility for budgetary control rests with the Superintendent. Each budget manager shall be responsible for controlling and amending his or her budget as needed, ensuring that no expenditure is made unless funds have been properly authorized in accordance with CH(LEGAL) and (LOCAL) and that all expenditures demonstrate appropriate and efficient use of District funds. The job description of each budget manager shall include a description of applicable budgetary responsibilities.
FUND BALANCE	Fund balance shall mean the gross difference between governmental fund assets and liabilities reflected on the balance sheet. Governmental fund assets are those of the general fund, special revenue funds, debt service fund, and capital project funds.
FUND BALANCE OF THE GENERAL FUND	The fund balance of the general fund, one of the governmental fund types, is of primary significance because the general fund is the primary fund, which finances most functions of the District. The fund balance of the general fund shall mean the gross difference between general fund assets and liabilities reflected on the balance sheet.
FUND BALANCE CLASSIFICATION	<p>Fund balance classification shall be recorded in accordance with governmental accounting standards as promulgated by the Governmental Accounting Standards Board.</p> <p>The five classifications of fund balance of the governmental fund types shall be as follows:</p>
NONSPENDABLE	<p>1. Nonspendable fund balance shall mean the portion of the gross fund balance that is not expendable or is legally earmarked for a specific use.</p> <p>Examples of nonspendable fund balance reserves for which fund balance shall not be available for financing general operating expenditures include:</p> <ul style="list-style-type: none">• Inventories;• Prepaid items;• Deferred expenditures; and• Long-term receivables.
RESTRICTED	<p>2. Restricted fund balance shall include amounts constrained to a specific purpose by the provider, such as the grantor.</p> <p>Examples of restricted fund balances include:</p> <ul style="list-style-type: none">• Child nutrition programs (including outstanding encumbrances);• Debt service funds;

- Construction programs; and
 - Resources from other granting agencies.
- COMMITTED
3. Committed fund balance shall mean that portion of the fund balance that is constrained to a specific purpose by the Board. The Board shall approve all commitments by formal action. The action to commit funds must occur prior to fiscal year end; however, the amount may be determined subsequent to fiscal year end. A commitment can only be modified or removed by the same formal action.
- Examples include:
- Potential litigation, claims, and judgments;
 - Activity funds;
 - Internal service funds;
 - Scholarship funds; and
 - Permanent funds.
- ASSIGNED
4. Assigned fund balance shall mean that portion of the fund balance that is spendable or available for appropriation but has been tentatively earmarked for some specific purpose by the Board finance committee, the Superintendent, or the chief financial officer.
- The Board delegates the responsibility to assign funds not to exceed \$2 million in the aggregate to the Superintendent and the chief financial officer. The Board finance committee shall have the authority to assign any amount of funds. Assignments may occur subsequent to fiscal year end.
- In the current practice, such plans or intent to utilize fund balance may change and may never be budgeted, or may result in expenditures in future periods of time.
- Examples include:
- Outstanding encumbrances;
 - Insurance deductibles;
 - E-rate reimbursements;
 - Building rental reimbursements;
 - Capital outlay items;
 - Potential special education expenditures; and
 - Other legal uses.

ANNUAL OPERATING BUDGET

CE
(LOCAL)

UNASSIGNED	<p>5. Unassigned fund balance shall include amounts available for any legal purpose. This portion of the total fund balance in the general fund is available to finance operating expenditures.</p> <p>The unassigned fund balance shall be the difference between the total fund balance and the total of the nonspendable fund balance, restricted fund balance, committed fund balance, and assigned fund balance.</p>
ORDER OF EXPENDITURE	<p>The order of spending and availability of the fund balance shall be to reduce funds from the listed areas in the following order: restricted, committed, assigned, and unassigned. Negative amounts shall not be reported for restricted, committed, or assigned funds.</p>
MINIMUM FUND BALANCE	<p>In order to preserve financial stability, the District must be prepared to respond to cash flow shortages, large or unexpected one-time expenditures, changes in the economy, and changes in state funding. The District shall, therefore, target a yearly unassigned general fund balance between 17 percent (60 days) and 25 percent (90 days) of total operating expenditures. Additionally, the District shall target a yearly minimum restricted debt service fund balance of 25 percent of annual debt service requirements on all outstanding debt issuance and a committed internal service fund balance of 20 percent of total operating expenditures.</p> <p>Following any year where the audited fund balance falls outside the above-listed targeted range or below the minimum requirement, adjustments in budgeted expenditures shall be incorporated into the budget development process for that year. If the Board determines that the minimum targeted fund balance is not attainable in the proposed budget being considered, it shall be the goal of the Board to reach that level within a specified period of time, not to exceed two years.</p> <p>Additionally, the Board may establish assignments or commitments of fund balance from time to time in order to meet specific District needs. Assignments and commitments of fund balance shall be vetted and approved by the Board finance committee. Furthermore, commitments of fund balance shall be submitted to the Board for approval.</p>
REVENUE	<p>All revenue received by the District shall be deposited as a revenue transaction in the appropriate fund and shall become a part of the fund balance. Any allocation of such revenue from the fund balance shall be approved by the Board as a budget amendment prior to any encumbrance or expenditure.</p>