

NISD FINANCIAL UPDATE

January 24, 2022

LOOKING FORWARD: 2022-2023 BUDGET

- HB 3 designed to provide a more equal funding to students across the state. Fast growth districts were going to pay less in recapture since the tax rate would be compressed. **Additional funding would come from the growth of students.**
- However, Northwest ISD has grown so rapidly that it has maxed out compression and recapture will begin to rise very quickly. The district will increase its revenue net of recapture – but only at the level of student growth.
- The district will need to increase its budget at approximately **\$8,600 per additional student.**
- 2,300 additional students, the district should realize an increase of $(2,300 * \$8,600 =)$ **\$19,780,000.**
- NISD should operate where payroll is approximately 80% of revenue. Additional expense towards staff for the following fiscal year should be around $(80% * 19,780,000 =)$ **\$15,824,000.**

TOTAL BUDGET IMPACT (PREVIOUSLY)

<u>Growth Campus Positions (total)</u>	\$4,950,000
<u>Growth of Ancillary Staff</u>	\$129,000
<u>Growth Support Staff</u>	\$1,023,000
<u>New Campus Support</u>	\$578,120
<u>Total</u>	\$6,680,120

TOTAL BUDGET IMPACT (NOW)

<u>Growth Campus Positions (total)</u>	\$4,950,000
<u>Growth of Ancillary Staff</u>	\$129,000
<u>Growth Support Staff</u>	\$1,023,000
<u>New Campus Support</u>	\$578,120
<u>Additional Growth Teaching</u>	\$1,716,000
<u>Additional Campus Support</u>	\$342,000
<u>Total</u>	\$8,738,120

2022-2023 PAYROLL OPTIONS

Description	Cost	Balance
Additional Revenue for Payroll		\$15,824,000
3% Staff Raise	\$5,200,000	\$10,624,000
Guest Educator Raise	\$250,000	\$10,374,000
Net Teacher Growth (75 FTEs)	\$4,950,000	\$5,424,000
Growth of Support Staff	\$1,023,000	\$4,401,000
Net Ancillary Staff Growth	\$129,000	\$4,272,000
Growth – New Campus Operations	\$578,120	\$3,693,880
Additional Growth Teaching	\$1,716,000	\$1,977,880
Additional Campus Support	\$342,000	\$1,635,880
Ratio Adjustment (9 FTEs)	\$594,000	\$1,041,880
Program Staffing	??	

DISCUSSION AND QUESTIONS