

NISD PROPOSED BUDGET 2023-2024

June 26, 2023

NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

The Northwest ISD will hold a public meeting at June 26, 2023 in the Administration Board Room in Justin Texas. The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited.

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

Maintenance Tax	\$0.8546/\$100 (proposed rate for maintenance and operations)
School Debt Service Tax	\$0.4210/\$100 (proposed rate to pay bonded indebtedness)
Approved by Local Voters	

Comparison of Proposed Budget with Last Year's Budget					
The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories.					
Maintenance and operations	9.6%				
Debt Service	7.6%				
Total Expenditures	9.2%				
Total Appraised Value and Total Taxable Value (as calculated under Section 26.04, Tax Code)					
	<u>Preceding Tax Year</u>	<u>Current Tax Year</u>			
Total appraised value* of all property	\$38,088,547,117	\$53,783,761,498			
Total appraised value* of new property**	\$1,654,455,830	\$3,070,570,022			
Total taxable value*** of all property	\$30,822,264,726	\$40,051,196,374			
Total taxable value*** of new property**	\$1,617,090,213	\$2,988,470,462			
*Appraised value is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code. ** "New property" is defined by Section 26.012(17), Tax Code. *** "Taxable value" is defined by Section 1.04(10), Tax Code.					
Bonded Indebtedness					
Total amount of outstanding and unpaid bonded indebtedness* \$1,353,929,040					
*Outstanding principal.					
Comparison of Proposed Rates with Last Year's Rates					
	<u>Maintenance & Operations</u>	<u>Interest & Sinking Fund*</u>	<u>Total</u>	<u>Local Revenue Per Student</u>	<u>State Revenue Per Student</u>
Last Year's Rate	\$0.8546	\$0.4200	\$1.2746	\$13,852	\$699
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	\$0.72889	\$.3765	\$1.1053	\$12,887	\$432
Proposed Rate	\$0.8546	\$0.4210	\$1.2756	\$14,414	\$494
*The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment, or both. The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.					
Comparison of Proposed Levy with Last Year's Levy on Average Residence					
	<u>Last Year</u>	<u>This Year</u>			
Average Market Value of Residences	\$419,272	\$552,605			
Average Taxable Value of Residences	\$358,426	\$420,208			
Last Year's Rate Versus Proposed Rate per \$100 Value	\$1.2746	\$1.2756			
Taxes Due on Average Residence	\$4,568.50	\$5,360.17			
Increase (Decrease) in Taxes		\$791.67			
Under state law, the dollar amount of school taxes imposed on the residence homestead of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.					
Notice of Voter-Approval Rate: The highest tax rate the district can adopt before requiring voter approval at an election is \$1.2756. This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of \$1.2756.					
Fund Balances					
The following estimated balances will remain at the end of the current fiscal year and are not encumbered with or by a corresponding debt obligation, less estimated funds necessary for operating the district before receipt of the first state aid payment.					
	Maintenance and Operations Fund Balance(s)	\$99,904,957			
	Interest & Sinking Fund Balance(s)	\$70,316,214			
A school district may not increase the district's maintenance and operations tax rate to create a surplus in maintenance and operations tax revenue for the purpose of paying the district's debt service.					
Visit Texas.gov/PropertyTaxes to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.					
The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.					

PUBLIC MEETING NOTICE JUNE 4, 2023

	<u>Published Rate</u>	
M&O: 0.8546	I&S: 0.4210	Total: 1.2756
	<u>Budget Rate</u>	
M&O: 0.7655	I&S: 0.4210	Total: 1.1865

*New template released 6/12/23 with tax compression



Activity	Responsibility	Date	Status
Projected Enrollments	Templeton/HR/Finance	January 9, 2023	Completed
DEIC Timeline Presentation	Financial Services	January 10, 2023	Completed
DLT Timeline Presentation	Financial Services	January 12, 2023	Completed
Campus/Dept Staffing	Cabinet/Exec Dir/Principals	January 2023	Completed
Budget Parameter/Growth	Board Meeting	January 23, 2023	Completed
Budget Packets Completed	Financial Services	February 7, 2023	Completed
DLT Meeting Distribute Packets	Financial Services	February 9, 2023	Completed
Schedule Exec. Dir. Meetings	Financial Services	February 2023	Completed
Campus/Dept Staffing	Cabinet/Exec Dir/Principals	February 2023	Completed
Raise Discussion/Action	Board Meeting	February 27, 2023	Postponed 6-12
Budget Workshop	Board Meeting	February 27, 2023	Completed
Exec Dir. Meetings	Cabinet/Executive Directors	March 2023	Completed
Campus/Dept Staffing	Cabinet/Exec Dir/Principals	March 2023	Completed
Board Update	Board Meeting	March 21, 2023	Completed
Campus/Dept Budget Due	Campuses/Departments	March 24, 2023	Completed
Budget Decision Forms Due	Campuses/Departments	March 24, 2023	Completed
Campus/Dept Staffing	Cabinet/Exec Dir/Principals	April 2023	Completed
Compensation Plan Approval	Board Meeting	April 10, 2023	Postponed 6-26
Preliminary Values	TCAD/DCAD/WCAD	April 2023	Completed
Board Workshop	Board Meeting	April 24, 2023	Completed
Campus/Dept Staffing	Cabinet/Exec Dir/Principals	May 2023	Completed
Budget Workshop	Board Meeting	May 8, 2023	Cancelled
Publish Notice of Pub. Mtg	Financial Services	June 1, 2023	Completed
Budget Workshop	Board Meeting	June 12, 2023	Completed
Budget Adoption	Board Meeting	June 26, 2023	Discussion/Action
Final Amendment Adoption	Board Meeting	June 26, 2023	Consent Agenda
Certified Values	TCAD/DCAD/WCAD	July 25, 2023	
Publish Tax Rate Notice	Financial Services	August 1, 2023	
Tax Rate Adoption	Board Meeting	2 nd August Meeting	

2023-2024 BUDGET TIMELINE

COMPENSATION INCREASE

Raise Scenario*	Budget Impact
1%	\$1.8 Million
2%	\$3.6 Million
3%*	\$5.4 Million*

*Proposed Budget includes 3% raise of the midpoint for all staff

PROPOSED BUDGET CHANGES SINCE 6-12-23

Revenue

- New Template – Decreased Revenue/Decreased Recapture
- Increased Revenue on local sources – Interest, Rentals, PreK
- Increased Federal Revenue – Increase in Cost Report

Expenses

- Increase Staff Insurance Contribution from \$300 to \$325 (\$550,000)
- Change in paygrade for unit paras (P10 to P15)
- Positions discussed were allocated out correctly (Function)
- Added a few non-payroll items due to increases/growth
- Ironed out remaining payroll needs for temporary or seasonal work
- Cleaned up stipends – needed to clean up and get those added in accurately

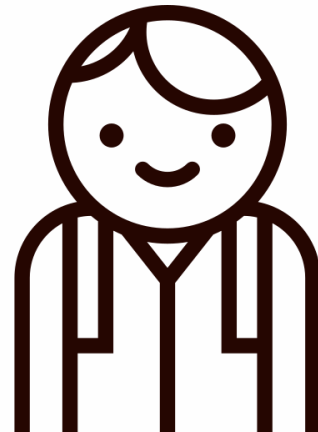
REVENUE BUDGET

For every \$1 of funding received...



Local Revenue: Property Taxes and other local sources
Total budget: \$289,822,026
\$0.90 for every \$1.00 comes from this source.

Total Revenue Budget
\$323,102,763



State Revenue: State funding for school districts
Total budget: \$29,124,213
\$0.09 for every \$1.00 comes from this source.
(Recapture: payment paid to state = \$19,500,000 budget)



Federal Revenue: Indirect Revenue from Grants and SHARS
Total budget: \$4,156,524
\$0.01 for every \$1.00 comes from this source.



GENERAL FUND REVENUE BUDGET 2023-2024

CHANGES SINCE 6-12-23

Account	2022-2023 Revenue Budget	Description	2023-2024 Revenue Budget
57xx	\$272,914,865	Local Revenue	\$289,822,026
58xx	\$25,933,598	State Revenue	\$29,124,213
<u>59xx</u>	<u>\$4,282,338</u>	<u>Federal Revenue</u>	<u>\$4,156,524</u>
Total	\$303,130,801	Total Revenue	\$323,102,763

2023-2024 Revenue	\$323,102,763
<u>2022-2023 Revenue</u>	<u>\$303,130,801</u>
Additional Revenue	\$19,971,962

Note: Recapture is down \$9,160,895

Net Gain: \$29,132,857

Expenditure Budget

For every \$1 of funding received...

Payroll = \$244.5 M
~~75%~~ of the Budget

80%



Professional/Contracted Services = \$54.3 M

~~17%~~ of the Budget

11%

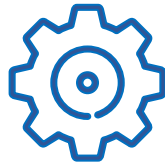


-\$19.5 M Recapture

\$34.8 M

Other Operating
Costs = \$10.9M
~~3%~~ of the Budget

4%



Supplies & Materials
= \$15.9 M
~~5%~~ of the Budget

5%

Total Expenditure Budget
\$326,091,639

**Subtract
Recapture**

-\$19,500,000

**Remaining
Budget**

\$306,591,639



Capital Outlay = 440K
~~0%~~ of the Budget

0%

GENERAL FUND EXPENSE BUDGET 2022-2023

CHANGES SINCE 6-12-23

Account	22-23 Revenue Budget	Description	23-24 Revenue Budget
57xx	\$272,914,865	Local Revenue	\$289,822,026
58xx	\$25,933,598	State Revenue	\$29,124,213
59xx	<u>\$4,282,338</u>	<u>Federal Revenue</u>	<u>\$4,156,524</u>
Total	\$303,130,801	Total Revenue	\$323,102,763

Account	22-23 Expense Budget	Description	23-24 Expense Budget
61xx	\$222,156,998	Payroll	\$244,579,970
62xx	\$59,519,284	Contracted Services	\$54,307,468
63xx	\$11,240,508	Supplies/Materials	\$15,890,987
64xx	\$9,588,523	Other Operating	\$10,872,931
65xx	\$0	Debt Service	\$0
66xx	<u>\$625,488</u>	<u>Capital Outlay</u>	<u>\$440,282</u>
Total	\$303,130,801	Total Expenses	\$326,091,639
Net Budget	0		-\$2,988,876

Expenditure Budget

For every \$1 of funding received...

\$0.58 pays for instruction including instructional resources and curriculum



\$0.01 pays for instructional leadership



\$0.06 pays for school leadership which includes general campus administration



\$0.01 pays for other general operating costs

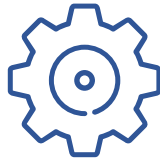
\$0.02 pays for technology & data services



\$0.04 pays for guidance & counseling including social work services



\$0.11 pays for other operations like maintaining clean and safe schools



\$0.01 pays for health services



\$0.06 will be sent back to the State of Texas in the form of recapture

\$0.03 pays for administration of the school district



\$0.04 pays for school transportation

\$0.03 pays for cocurricular & extracurricular activities



\$0.00 pays for meals including breakfast and lunch

Total Expenditure Budget
\$326,091,639

MULTI-YEAR BUDGET COMPARISON

FY24 Budget Scenario

	AMENDED BUDGET			PROPOSED BUDGET			DOLLAR CHG			% Δ
	General 2023	Food Service 2023	Debt Service 2023	General 2024	Food Service 2024	Debt Service 2024	General	Food Service	Debt Service	General Fund
REVENUE										
5700 Local	\$273,087,961	\$8,086,029	\$129,754,500	\$289,822,026	\$9,565,925	\$152,151,770	\$16,734,065	\$1,479,896	\$22,397,270	6.13%
5800 State	25,933,598	30,408	1,536,304	29,124,213	12,714	-	3,190,615	(17,694)	(1,536,304)	12.30%
5900 Federal	4,535,066	3,649,437	-	4,156,524	3,972,123	-	(378,542)	322,686	-	-8.35%
TOTAL REVENUE	\$303,556,625	\$11,765,874	\$131,290,804	\$323,102,763	\$13,550,762	\$152,151,770	\$19,546,138	\$1,784,888	\$20,860,966	-90.87%
EXPENDITURES										
11 Instruction	\$160,336,772	\$0	\$0	\$176,926,336	\$0	\$0	\$16,589,564	\$0	\$0	10.35%
12 Instructional Resources and Media Services	3,220,657	-	-	3,289,060	-	-	68,403	-	-	2.12%
13 Curriculum Development and Instructional Staff Development	7,210,587	-	-	7,621,726	-	-	411,139	-	-	5.70%
21 Instructional Leadership	3,077,073	-	-	3,162,174	-	-	85,102	-	-	2.77%
23 School Leadership	16,617,940	-	-	18,488,017	-	-	1,870,077	-	-	11.25%
31 Guidance, Counseling, and Evaluation Services	9,521,336	-	-	12,520,340	-	-	2,999,004	-	-	31.50%
32 Social Work Services	373,139	-	-	579,207	-	-	206,068	-	-	55.23%
33 Health Services	2,944,196	-	-	2,779,171	-	-	(165,025)	-	-	-5.61%
34 Student Transportation	11,782,225	-	-	12,918,112	-	-	1,135,886	-	-	9.64%
35 Food Services	-	14,287,231	-	-	13,523,924	-	-	(763,307)	-	-
36 Co-curricular/ Extra curricular Activities	8,959,193	-	-	9,538,966	-	-	579,773	-	-	6.47%
41 General Administration	7,645,200	-	-	9,082,680	-	-	1,437,480	-	-	18.80%
*41 Statutorily Required Public Notice - Required Postings	5,000	-	-	5,000	-	-	-	-	-	-
**41 Statutorily Required Public Notice - Lobbying	1,950	-	-	1,950	-	-	-	-	-	-
51 Plant Maintenance & Operations	31,664,374	-	-	33,688,876	-	-	2,024,503	-	-	6.39%
52 Security and Monitoring Services	2,781,964	-	-	3,927,326	-	-	1,145,361	-	-	41.17%
53 Data Processing Services	6,090,819	-	-	6,547,312	-	-	456,493	-	-	7.49%
61 Community Service	189,803	-	-	203,660	-	-	13,857	-	-	7.30%
71 Debt Services	-	-	127,622,389	-	-	112,947,218	-	-	(14,675,171)	-
81 Facilities Acquisition and Construction	354,082	-	-	370,582	-	-	16,500	-	-	4.66%
91 Contracted Instructional Services Between Public Schools	28,660,895	-	-	19,500,000	-	-	(9,160,895)	-	-	-31.96%
92 Incremental Cost Associated with Chapter 41 School Districts	-	-	-	-	-	-	-	-	-	-
93 Payments to Fiscal Agents for Shared Service Arrangements	133,175	-	-	135,000	-	-	1,825	-	-	1.37%
94 Payments to Other Schools	-	-	-	-	-	-	-	-	-	-
95 Payments to Juvenile Justice AEP	45,000	-	-	45,000	-	-	-	-	-	0.00%
96 Payments to Charter Schools	-	-	-	-	-	-	-	-	-	-
97 Payments to Tax Increment Fund	2,011,144	-	-	2,011,144	-	-	-	-	-	0.00%
99 Inter-Government Charges not Defined in Other Codes	2,315,000	-	-	2,750,000	-	-	-	-	-	-
TOTAL EXPENDITURES	\$305,941,525	\$14,287,231	\$127,622,389	\$326,091,639	\$13,523,924	\$112,947,218				
SURPLUS / DEFICIT	(\$2,384,900)	(\$2,521,357)	\$3,668,415	(\$2,988,876)	\$26,838	\$39,204,552				
OTHER FINANCING SOURCES/ (USES)										
Other Financing Sources	-	-	-	-	-	-	-	-	-	-
Other Financing Uses	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	(\$2,384,900)	(\$2,521,357)	\$3,668,415	(\$2,988,876)	\$26,838	\$39,204,552				
BEGINNING FUND BALANCE	\$99,904,957	\$4,279,531	\$70,316,214	\$97,520,057	\$1,758,174	\$73,984,629				
AUDIT ADJUSTMENTS TO FUND BALANCE										
YEAR END BALANCE*	\$97,520,057	\$1,758,174	\$73,984,629	\$94,531,181	\$1,785,012	\$113,189,181				
FUND BALANCE AS % OF EXPENDITURES	31.88%		57.97%	28.99%		100.21%				
FUND BALANCE AS # OF MONTHS OF EXPEND.	3.83		6.96	3.48		12.03				

* Year End Balances are provided by the district and may not reflect the net change presented in revenues and expenditures.

PROPOSED
BUDGETS
BY
FUNCTION



DISCUSSION AND QUESTIONS