

Cooper Lutkenhaus-Northwest High School junior advances from
USA Track & Field Championship to Tokyo for World Championships



FINANCIAL SUMMARY

NORTHWEST INDEPENDENT SCHOOL DISTRICT NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

The District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental and proprietary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The District has presented the following major governmental funds:

1. **General Fund** - This fund is established to account for resources financing the fundamental operations of the District, in partnership with the community, in enabling and motivating students to reach their full potential. All revenues and expenditures not required to be accounted for in other funds are included here. This is a budgeted fund, and any fund balances are considered resources available for current operations. Fund balances may be appropriated by the Board of Trustees to implement its responsibilities.
2. **Debt Service Fund** - This fund is established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. This is a budgeted fund. Any unused sinking fund balances are transferred to the General Fund after all of the related debt obligations have been met.
3. **Capital Projects Fund** - This fund is established to account for proceeds, from the sale of bonds and other resources to be used for Board authorized acquisition, construction, or renovation, as well as furnishings and equipping of major capital facilities. Upon completion of a project, any unused bond proceeds are transferred to the Debt Service Fund and are used to retire related bond principal.

Additionally, the District reports the following fund type:

Special Revenue Funds - These funds are established to account for federally financed or expenditures legally restricted for specified purposes. In many special revenue funds, any unused balances are returned to the grantor at the close of specified project periods. For funds in this fund type, project accounting is employed to maintain integrity for the various sources of funds.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$651,436,665 a decrease of \$46,203,450. Approximately 18% of this total amount (\$115,676,729) constitutes *committed, assigned and unassigned fund balance*, which is available for spending at the District's discretion. The remainder of fund balance is *nonspendable or restricted* to indicate that it is not available for new spending because it is already restricted to pay debt service (\$98,707,125), or for capital projects (\$427,465,367), or for Federal grants (\$2,808,162), or already spent on prepaid items (\$1,262,747) or inventories (118,798).

The general fund is the primary operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$113,731,890, while the total fund balance was \$115,096,077. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the total fund expenditures. Unassigned fund balance represents 34.23% of the total general fund expenditures, while the total fund balance represents 34.64% of that same

2025- 2026 Adopted Budget

The fund balance of the District's general fund increased by \$4,773,290 during the current fiscal year, compared to a \$892,888 decrease in the previous year. Key factors related to this change are as follows:

- Property tax revenue increased by \$10,898,874 or 4.60% due primarily to a \$2,295,430,300 or 6.49% increase in assessed property tax valuations in the District.
- State foundation and per capita funding increased \$12,329,183 due to an increase in average daily attendance as a result of growth in enrollment.
- Expenditures increased \$23,272,944 or 7.53% from the prior year. The majority of the increase (\$17,133,571) occurred in instructional expenditures due to additional payroll and supplies costs for new school openings.

The debt service fund has a total fund balance of \$98,707,125, all of which is reserved for the payment of debt service. The net increase in fund balance during the period from current year operations was \$6,822,160, compared to a \$17,387,800 increase in the previous year. Property tax revenues were \$7,553,405 higher than the previous year due to the increase in assessed property tax valuations, while debt service principal and interest expenditures were \$19,961,378 higher due to first-time payments in the current fiscal year on recent bond issuances.

Other changes in fund balances should also be noted. The fund balance in the capital projects fund decreased by \$58,316,347 due primarily to \$400,000,000 proceeds from bond sales offset by \$490,744,650 spent on construction-related costs. Although these and other capital expenditures reduce available fund balances, they create new assets for the District as reported in the Statement of Net Position and discussed in Note 4 to the financial statements.

Over the course of the year, the Board of Trustees revised the District's budget several times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts we estimated in June 2024). The second category includes changes that the Board made during the year to reflect new information regarding revenue sources and expenditure needs. The principal amendment in this case was an increase in the anticipated amount of State funding to be received. The third category involves amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

The District's General Fund balance of \$115,096,077 differs from the General Fund's budgetary fund balance of \$75,460,967 reported in the budgetary comparison schedule. For the year ended June 30, 2025, actual general fund expenditures on a budgetary basis were \$332,216,755, below the original budget expenditures of \$336,956,114 and the revised final budget of \$360,274,435. The majority of the actual variance of \$28,057,680 consists of savings achieved in payroll costs in several areas primarily instructional. Actual revenue on a budgetary basis was \$337,083,777 compared to the original budget of \$321,085,418 and a revised budget of \$325,412,615. The actual variance was only \$11,671,162 over the final budgeted projections. The majority of that additional revenue resulted from additional property taxes as a result of a higher-than-expected collection rate, and more State Foundation funding than was expected.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2025, the District had \$2,064,056,984 (net of accumulated depreciation) invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents a net increase of \$415,765,446, or 25.2%, above last year.

This fiscal year's major additions include:

Continuing construction costs on six new elementary schools, paid for with proceeds of general obligation bonds.	\$87,998,321
Continuing construction costs on renovations/additions at an existing high school, paid for with proceeds of general obligation bonds.	74,738,953
Continuing construction costs on two new middle schools, paid for with proceeds of general obligation bonds.	62,333,767
Continuing construction costs on a new high school, paid for with proceeds of general obligation bonds	73,897,391
Continuing construction costs on a new administration building, paid for with proceeds of general obligation bonds	48,834,033
	\$347,802,465

Debt Administration

At year-end, the District had \$2,205,085,000 in bonds outstanding versus \$1,909,537,569 last year—an increase of 15.5%. New debt incurred during the fiscal period consist of one building bond series. The District's underlying rating for unlimited tax bonds is "Aa3" by Moody's, and "AA" by Fitch but is considered "AAA" as a result of guarantees of the Texas Permanent School Fund.

Other obligations include accrued vacation benefits.

Economic Factors and Next Year's Budgets and Rates

The District's elected officials considered many factors when setting the fiscal year 2026 budget and tax rates, including the economy, student enrollment growth, and funding levels by the State of Texas.

The District has adopted a balanced budget for 2025-2026 for the general fund. Budgeted revenues for the general fund are \$14,519,326 higher than actual 2024-2025 revenues. Budgeted expenditures are \$19,386,348 higher than actual 2024-2025 expenditures.

The District has adopted a balanced budget for 2025-2026 for the debt service fund. Budgeted revenues for the debt service fund are \$7,298,867 higher than actual 2024-2025 revenues and budgeted expenditures are \$14,020,830 higher than actual 2024-2025 expenditures.

The 2026 tax rate was set at \$1.0541 per \$100 valuation (\$0.6331 maintenance and operations and \$0.4210 debt service). The maintenance and operations rate decreased from \$0.6699 the prior year and the debt service rate remained the same. The voters approved the Voter Approved Tax Rate Election ("VATRE") in November, and the M&O tax rate increased to \$0.6631 for a new 2026 tax rate of \$1.0841.

Major Revenue Sources

Local Revenue

Local Real and Personal Property Taxes are the District's main source of revenue at 74% of total revenue for 2025-2026. The District's Maintenance & Operations ("M&O") tax rate for 2025-2026 was board approved a \$0.6331 tax rate. The Interest & Sinking ("I&S") tax rate is \$0.4210 to meet voter approved debt requirements. The total tax rate is \$1.0541. After the voters approved the VATRE in November, the M&O tax rate is now \$0.6631, the I&S tax rate stayed the same so the total tax rate for the 2025-2026 school year is \$1.0841.

Other Local Sources

Revenue from other local sources include but are not limited to:

- Interest earnings
- Facility rental
- Donations
- Athletic gate receipts
- Concessions
- Student fees
- Advertising
- Lunch sales

Revenue from lunch sales is recorded into the Food Service fund and activity fund resources are generated from co-curricular activities that solely benefit students.

State Revenue

State funding includes the state's portion of the calculated funding entitlement based upon the district's average daily attendance. Also included is the state's portion of TRS/TRS Care On-Behalf revenue.

Federal Revenue

Federal revenue within the general fund is earned through the School Health and Related Services ("SHARS").

Revenue Budget

For every \$1 of funding received...



Local Revenue: Property Taxes and other local sources
Total budget: \$260,073,384
\$0.74 for every \$1.00 comes from this source.

Total Revenue Budget
\$351,603,103



State Revenue: State funding for school districts
Total budget: \$89,760,893
\$0.255 for every \$1.00 comes from this source.



Federal Revenue: Indirect Revenue from Grants and SHARS
Total budget: \$1,768,826
\$0.005 for every \$1.00 comes from this source.

Reimbursement program for Medicaid service provided to students by the district staff.

Expenditure by Object

Expenditures are broken into the following categories:

Instruction (11,12,13)
Leadership (21,23)
Student Support Services (31,32,33,34,36)
Administrative (41)
Non-Student Support Services (51,52,53)
Other (61,71,93,95,99)

General Fund

The general fund is a governmental fund with budgetary control which is used to show transactions resulting from operations of on-going organizations and activities from a variety of revenue sources for which fund balance is controlled by and retained for the use of the local education agency. The general fund utilizes the modified accrual basis of accounting. To maintain separate revenue and expenditure accounts to assure the integrity of specific revenue purposes when required by law or rule, the general fund is to employ the classification defined below by the Texas Education Agency.

Fund 199 – General Fund

This classification must be used to account for funds in which the local governing board designates. The local governing board has wide discretion in their use as provided by law. This fund usually includes transactions as a result of revenues from local maintenance taxes, payments in lieu of taxes, foundation entitlements, State and County available and other Foundation School Program sources which are not identified on warrants for foundation entitlements.

Fund 184 – Cocurricular/Extracurricular Activities

This locally defined fund code is used to account for expenditures/expenses for school-sponsored activities during or after the school day that are not essential to the delivery of services for Function 11 - Instructional, the Function code 20 series – Instructional and School Leadership or other Function code 30 series – Support Services Student (Pupil). These activities are generally designed to provide students with experiences such as motivation and the enjoyment and improvement of skills in either a competitive or noncompetitive setting. These activities include student groups such as Future Farmers of America (FFA), National Honor Society, etc. Cocurricular activities are those activities that are not essential to instruction but enhance the curriculum and include University Interscholastic League competition such as one-act plays, speech, debate, band, etc. Extracurricular activities are those activities that do not enhance the instructional program including athletics that normally involve competition between schools (and frequently involve offsetting gate receipts or fees) such as football, baseball, volleyball, track, and tennis. Also included are related activities (such as drill team, pep squad and cheerleading) that exist because of athletics.

Fund 185 – Cocurricular/ Aquatic Center

This locally defined fund code is used to account for expenditures/expense that pertain to the operation of the Aquatic Center.

These funds are converted to Fund 199 for PEIMS reporting.

Expenditure Budget

For every \$1 of funding received...

Payroll = \$286.3 M
81% of the Budget



Professional/Contracted Services = \$37.9 M
11% of the Budget



Other Operating Costs = \$11.6M
3% of the Budget



Supplies & Materials = \$15.4 M
5% of the Budget



Capital Outlay = 253K
0% of the Budget

Total Expenditure Budget
\$351,603,103

Expenditure Budget

For every \$1 of funding received...

\$0.63 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



\$0.02 pays for
technology & data services



\$0.12 pays for
other operations
like maintaining clean and
safe schools



\$0.025 pays for
administration
of the school district



\$0.02 pays for
cocurricular & extracurricular activities



\$0.00 pays for **meals**
Including breakfast and lunch



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



\$0.01 pays for
health services



\$0.05 pays for
school transportation



\$0.015 pays for
other general operating costs

Total Expenditure Budget
\$351,603,103

**2025- 2026
Adopted Budget**

Budget Highlights

The following selection of highlights is presented as a brief overview of significant items and issues contained in the 2025-2026 budget. The Administration determined due to lack of funding from the state, NISD needed to structurally cut \$16 million from its budget. A structural cut is difficult because it requires changing the way the District has done business in the past. In a school district, this usually involves staff and programs. The District started the process in December 2024 and did not finish until June 2025 when the budget was adopted.

Staffing:

- Elementary ratio went from 22:1 to 24:1 for 2nd thru 4th grade.
- Secondary ratio went from 165:1 to 180:1 \$6,130,000.
- Athletics and Fine arts staffing reductions in art, and coaching periods \$1,125,000.
- Eliminate elementary aides in specials and reassign on campuses with openings.
- Counselors and Assistant Principals lost on high need campuses reassigned to openings on campuses.

Programs:

- Eliminate Avid \$45,000
- Eliminate Reading Recovery \$160,000
- 2nd grade Swim Education

Efficiency changes:

- LAMP – Librarians added to rotations
- GT, Dyslexia programs changed staffing mode
- Athletic schedules altered for efficiency gains
- Electives were limited in place for efficiency of staffing for core classes

Non-Payroll:

- Campus reductions – remove 10% of supply budgets \$325,000
- Reduction in contract service contracts: \$2,000,00
- Subscriptions \$495,000
- Alternative bus wash system \$108,183
- Reduce food, travel and supplies \$800,000
- Reduce extra duty \$90,000

Forecast assumptions:

- Northwest ISD is a fast growth district.
- Revenue projected conservatively at 5% FY27, 5% FY28 and 5% FY29.
- Increase in expenses due to opening new campuses each year will require additional staff and supplies.
- Expenditures projected conservatively at 3% FY27, 4% FY28 and 5% FY29.
- District expects payroll costs to increase as it becomes harder to find or retain employees.

2025- 2026
Adopted Budget

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE, GENERAL FUND
FOR YEAR ENDING JUNE 30,2022 THROUGH JUNE 30, 2029

	Audited Financial Reports			Adopted Budget		Financial Forecast		
Description	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29
REVENUES:								
Local and Intermediate Sources	228,410,531	271,777,551	252,412,512	281,755,326	260,073,384	273,077,053	286,730,906	301,067,451
State Program Revenues	25,985,292	29,778,814	53,477,874	36,663,454	89,760,893	94,248,938	98,961,385	103,909,454
Federal Program Revenues	3,940,014	4,365,430	902,108	2,666,638	1,768,826	1,857,267	1,950,131	2,047,637
Total Revenues	258,335,837	305,921,794	306,792,494	321,085,418	351,603,103	369,183,258	387,642,421	407,024,542
EXPENDITURES:								
Payroll Costs	190,834,614	217,182,487	249,351,119	270,921,658	286,337,718	301,513,617	317,493,838	334,321,012
Contracted Service	33,028,391	55,309,254	37,110,158	39,051,659	37,954,718	39,093,360	40,657,094	42,689,949
Supplies and Materials	10,785,661	12,845,289	13,082,191	15,407,102	15,444,116	15,907,439	16,543,737	17,370,924
Miscellaneous	5,839,647	7,779,798	8,430,603	11,317,343	11,612,699	11,961,080	12,439,523	13,061,499
Debt Service				-	-	-	-	-
Capital Outlay	792,090	1,500,694	969,741	258,352	253,852	261,468	271,926	285,523
Total Expenditures	241,280,401	294,617,517	308,943,308	336,956,113	351,603,103	368,736,963	387,406,119	407,728,906
Excess (Deficiency) of Revenues Over (Under) Expenditures	17,055,431	11,304,277	(2,151,314)	(15,870,695)	0	446,295	236,302	(704,364)
Other Resources	199	6,440	1,269,028	-	-	-	-	-
Other (Uses)	(974,230)		(10,559)	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Resources Over Expenditures and Other Uses	16,081,405	11,310,718	(892,888)	(15,870,695)	0	446,295	236,301	(704,364)
Fund Balance - September 1, (Beginning)	83,823,552	99,904,957	111,215,675	110,322,787	94,452,092	94,452,092	94,898,387	95,134,688
Increase (Decrease) in Fund Balance	16,081,405	11,310,718	(892,888)	(15,870,695)	0	446,295	236,301	(704,364)
Fund Balance - June 30 (Ending)	99,904,957	111,215,675	110,322,787	94,452,092	94,452,092	94,898,387	95,134,689	94,430,325

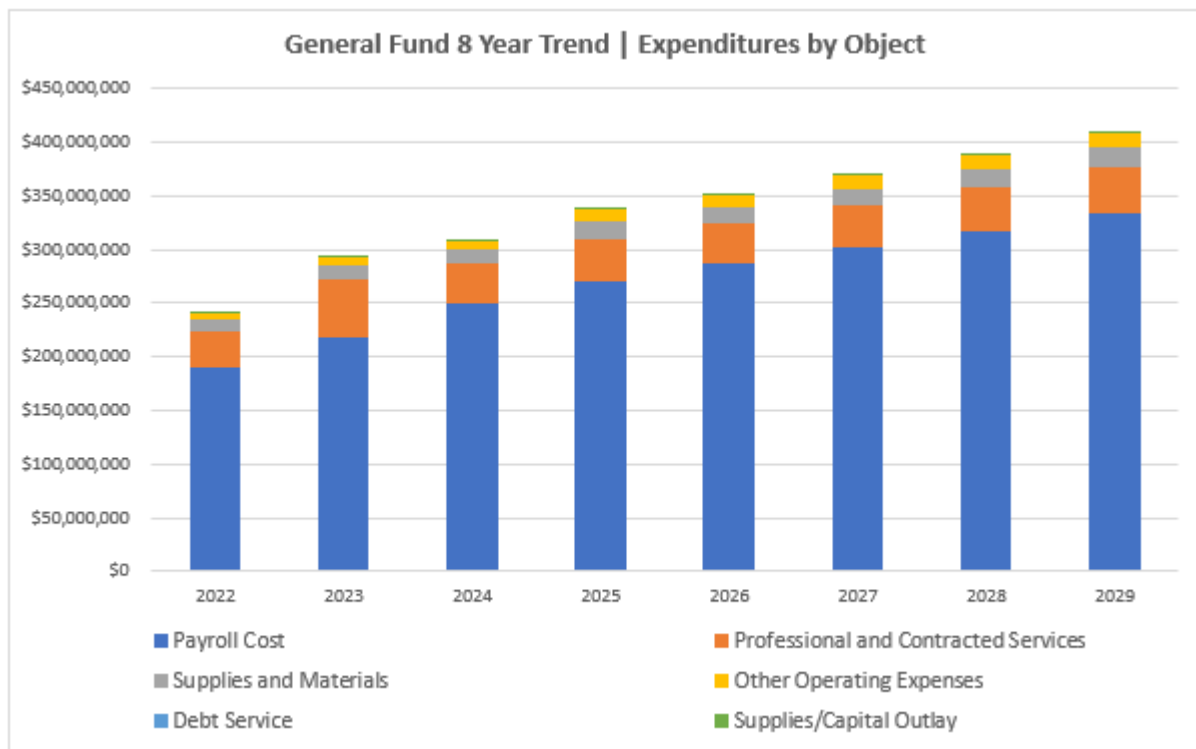
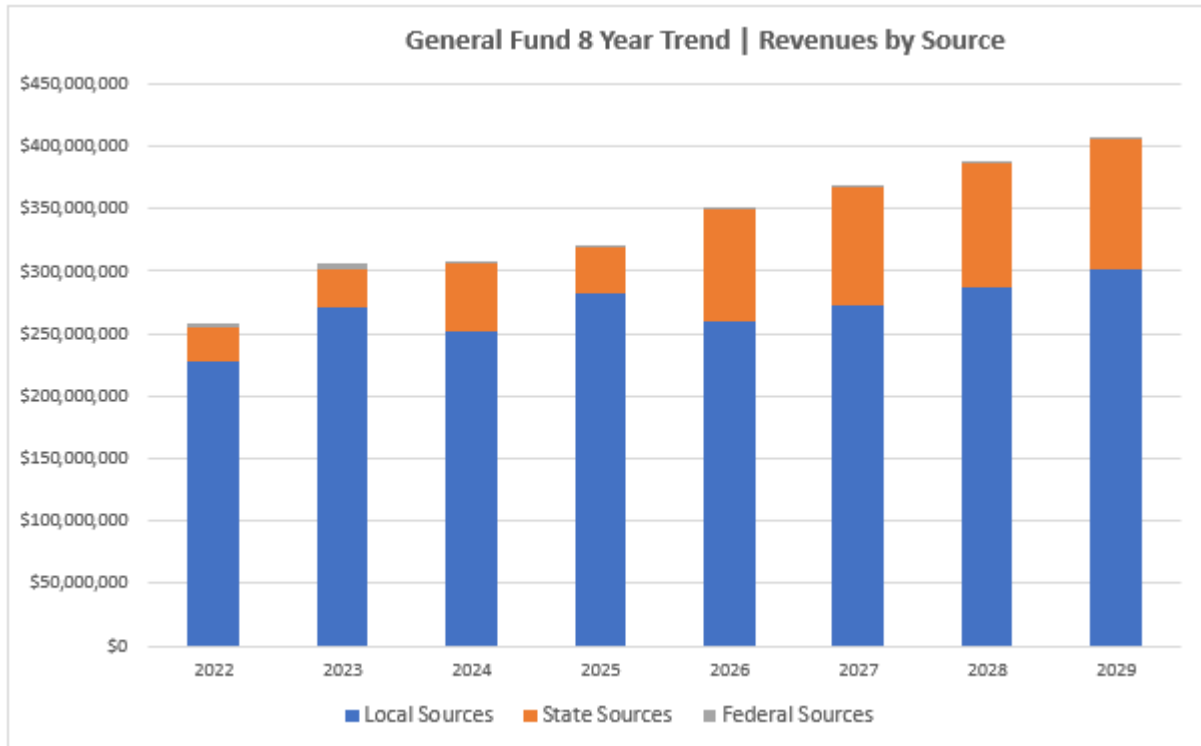
Assumptions: (1) Northwest ISD is considered "fast growth

(2)Revenue is projected at 5% for FY 27, 28 and 29

(3)A 5.3% increase in payroll. Increase in expenses due to opening new campuses which will require additional staff and cost of supplies for students and staff.

3% FY27; 4% FY28; 5% FY29.

**2025- 2026
Adopted Budget**



Source: Forecast 5

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. Most, but not all, of these funds must be applied for through the Standard Application System (“SAS”).

211 ESEA, Title I, Part A Improving Basic Programs – Provide opportunities for children served to acquire knowledge and skills to meet the challenging state performance standards developed for all children.

224 IDEA – Part B, Formula – Operate educational programs for children with disabilities.

225 IDEA – Part B, Preschool – Support programs for preschool children with disabilities.

240 National School Breakfast and Lunch Program – Support programs using federal reimbursement revenues from the United States Department of Agriculture (“USDA”).

244 Career and Technical – Basic Grant - Provide career and technical education to develop new and/or improved marketable skills for paid and unpaid employment.

255 ESEA, Title II, Part A Teacher and Principal Training and Recruiting – Provide financial assistance to 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.

263 Title III, Part A - English Language Acquisition and Language Enhancement – 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.

272 Medicaid Administrative Claiming Program – MAC – Funds allocated to local education agencies for reimbursement of eligible costs for activities attributed to the implementation of the Medicaid state plan.

288 Summer School LEP – Funds granted for summer education of limited English proficient students.

289 ESEA, Title IV, Part A – Funds granted for student support and academic enrichment.

385 Visually Impaired – Funds granted for visually impaired students.

397 Advanced Placement Incentives – Support professional development of teachers teaching advanced classes.

410 State Instructional Materials – To purchase instructional materials, technological equipment and technology-related services that contributes to student learning or training for educational personnel involved in the use of such materials.

429 School Safety & Security Grant – Funds granted for additional safety and security equipment.

429 Other State Special Revenue Fund – State funded special revenue funds not listed above are to be accounted for in this fund.

437 SSA Autism Grant – Fund classroom environments, individualized student support, parental and community engagement as well as staff training and professional development.

461 Campus Activity – To account for transactions related to a campus activity fund.

481 Education Foundation – Funds granted through the Northwest ISD Education Foundation.

**2025- 2026
Adopted Budget**

499 Other Local Special Revenue Funds – These fund classifications are 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.

Food Service Fund

The Food Service Fund, also referred to as the Child Nutrition Fund, is where revenues and expenditures are recorded for the school lunch and breakfast programs. Revenues received from this fund include lunch and breakfast sales, and federal grants. This fund is classified as a Special Revenue Fund by the Texas Education Agency.

The following schedule shows three years of historical revenues and expenditures, two years of budgeted revenues and expenditures followed by three years of forecasted revenues and expenditures. The Food Service Fund forecast includes assumptions that meal participation will rise with enrollment. A 10% increase in revenue has been projected for each year forecasted. The District projected expenses to increase 5% each year to cover the increase in food costs, supplies and contract services. Should expenses begin increasing more than revenue brought in, prices will be increased, or expenditures will need to be monitored to prevent negative budgets or using too much of fund balance to offset costs.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds and expenditures of specific revenue sources that are legally restricted or committed by the Board of Trustees. Funds classified as Special Revenue funds include federal and state grants, campus activity funds and other local grants.

The Board of Trustees must adopt the budget for General Operating, Food Service, and Debt Service funds only. The budget for the special revenue funds located on page 91 are included for informational purposes only.

Assumptions for forecasted data:

- Funds included in this group, are not guaranteed year to year. The District is considered fast growth, so we have estimated a 10% increase in local revenue for the forecasted years FY27, FY28 and FY29 and 5% increase in state and federal revenue. We amend revenue as we receive throughout the year; therefore, the revenue for these funds is always low at budget adoption.
- Payroll costs were increased by 5.3% to accommodate staff raises and additional staff needed for growth.
- If revenue received from the State does not meet forecast and salaries increase, costs associated with federal and state funds will be decreased to balance the budget. The small gain is projected from activity funds where we expect an increase in fundraising.

2025- 2026
Adopted Budget

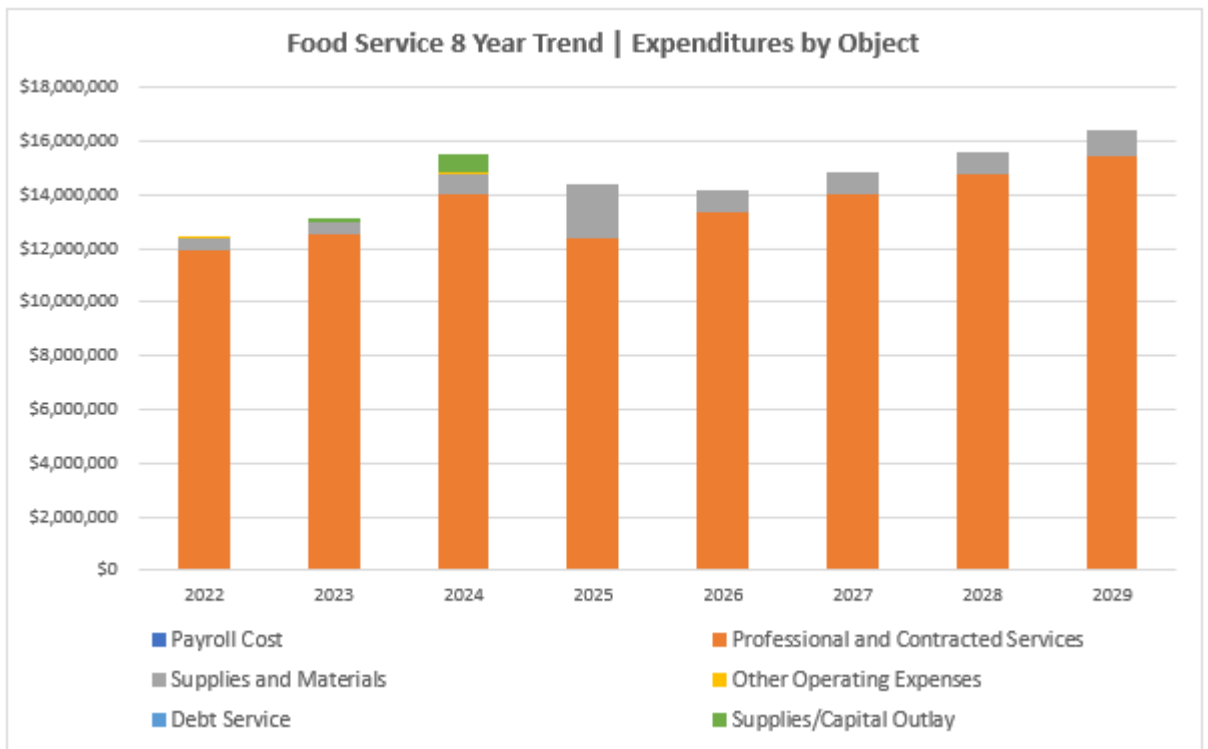
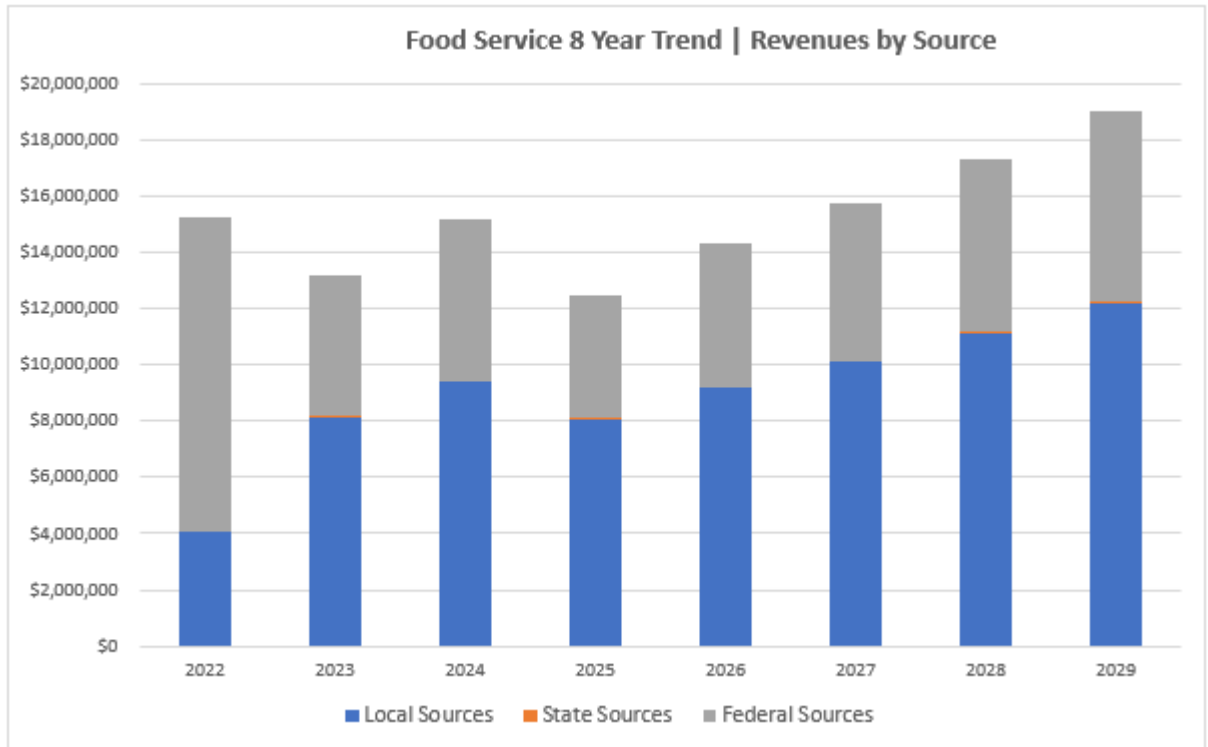
NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE, FOOD SERVICE
FOR THE YEAR ENDING JUNE 30, 2022 THROUGH JUNE 30, 2029

	Audited Financial Reports			Adopted Budget		Financial Forecast		
Description	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29
REVENUES:								
Local and Intermediate Sources	4,085,755	8,155,402	9,389,081	8,079,759	9,182,876	10,101,164	11,111,280	12,222,408
State Program Revenues	12,714	46,996	46,806	46,996	39,960	43,956	48,352	53,187
Federal Program Revenues	11,121,527	4,961,476	5,727,902	4,362,957	5,070,397	5,577,437	6,135,180	6,748,698
Total Revenues	15,219,995	13,163,874	15,163,789	12,489,712	14,293,233	15,722,556	17,294,812	19,024,293
EXPENDITURES:								
Payroll Costs		56,329	68,947	69,543	72,159	72,159	73,602	75,074
Contracted Service	11,918,806	12,445,215	13,987,557	12,323,384	13,295,736	13,960,522	14,658,549	15,391,476
Supplies and Materials	468,523	487,571	747,566	1,972,805	803,559	843,737	885,924	930,220
Miscellaneous	1,745	2,921	1,097					
Debt Service								
Capital Outlay		128,064	739,974					
Total Expenditures	12,389,074	13,120,100	15,545,142	14,365,732	14,171,454	14,876,418	15,618,075	16,396,770
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,830,922	43,773	(381,353)	(1,876,020)	121,779	846,138	1,676,736	2,627,523
Other Resources	399,987		10,599					
Other (Uses)								
Excess (Deficiency) of Revenues and Other Resources								
Over Expenditures and Other Uses	3,230,909	43,774	(370,754)	(1,876,020)	121,779	846,138	1,676,736	2,627,523
Fund Balance - September 1, (Beginning)	1,048,622	4,279,531	4,323,305	3,952,551	2,076,531	2,198,310	3,044,448	4,721,185
Increase (Decrease) in Fund Balance	3,230,909	43,774	(370,754)	(1,876,020)	121,779	846,138	1,676,736	2,627,523
Fund Balance - June 30 (Ending)	4,279,531	4,323,305	3,952,551	2,076,531	2,198,310	3,044,448	4,721,185	7,348,708

Assumptions:

- (1) Revenue was projected at a 10% per year increase due to growth.
- (2) Our District is considered "fast growth" and therefore, expects an increase in all non-payroll expenses by 5% to accommodate the growth and payroll 2%..

2025- 2026 Adopted Budget



Source Forecast 5

2025- 2026
Adopted Budget

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE, SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30,2022 THROUGH JUNE 30, 2029

	Audited Financial Reports			Adopted Budget		Financial Forecast		
Description	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29
REVENUES:								
Local and Intermediate Sources	8,134,974	12,372,049	13,723,856	8,138,749	9,241,866	10,166,053	11,182,658	12,300,924
State Program Revenues	1,251,016	2,401,569	3,381,748	4,057,117	1,418,862	1,489,805	1,564,295	1,642,510
Federal Program Revenues	27,191,343	21,489,925	12,358,694	12,669,261	14,792,427	15,532,048	16,308,651	17,124,083
Total Revenues	<u>36,577,333</u>	<u>36,263,542</u>	<u>29,464,298</u>	<u>24,865,127</u>	<u>25,453,155</u>	<u>27,187,906</u>	<u>29,055,604</u>	<u>31,067,517</u>
EXPENDITURES:								
Payroll Costs	12,941,156	12,584,248	5,780,227	6,909,971	9,243,242	9,733,133	10,248,990	10,792,186
Contracted Service	14,824,918	15,016,360	15,571,159	14,668,433	13,921,705	13,921,705	13,921,705	13,921,705
Supplies and Materials	2,074,258	4,622,202	2,506,958	4,787,763	1,898,279	1,898,279	1,898,279	1,898,279
Miscellaneous	3,322,973	3,636,399	4,933,275	3,659,327	3,673,312	3,673,312	3,673,312	3,673,312
Debt Service			-		-	-	-	-
Capital Outlay	220,768	227,771	954,318		213,023	213,023	213,023	213,023
Total Expenditures	<u>33,384,073</u>	<u>36,086,981</u>	<u>29,745,936</u>	<u>30,025,494</u>	<u>28,949,560</u>	<u>29,439,453</u>	<u>29,955,309</u>	<u>30,498,505</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,193,260	176,562	(281,638)	(5,160,367)	(3,496,405)	(2,251,547)	(899,705)	569,012
Other Resources	399,987		10,599					
Other (Uses)								
Excess (Deficiency) of Revenues and Other Resources								
Over Expenditures and Other Uses	<u>3,593,247</u>	<u>176,562</u>	<u>(271,039)</u>	<u>(5,160,367)</u>	<u>(3,496,405)</u>	<u>(2,251,547)</u>	<u>(899,705)</u>	<u>569,012</u>
Fund Balance - September 1, (Beginning)	4,202,789	7,796,036	7,972,598	7,701,560	2,541,193	(955,212)	(3,206,759)	(4,106,464)
Increase (Decrease) in Fund Balance	3,593,247	176,562	(271,039)	(5,160,367)	(3,496,405)	(2,251,547)	(899,705)	569,012
Fund Balance - June 30 (Ending)	<u>7,796,036</u>	<u>7,972,598</u>	<u>7,701,560</u>	<u>2,541,193</u>	<u>(955,212)</u>	<u>(3,206,759)</u>	<u>(4,106,464)</u>	<u>(3,537,452)</u>

Assumptions: (1) Funds included in this group are not guaranteed year to year. Local revenue was estimated at 10% increase, State and Federal 5% increase.
(2) We applied a 5.3% increase in salaries per year. Supplies were not adjusted for FY27, 28 or 29.
(3) If revenue received from the State or Federal do not meet forecast, salaries and or supplies will be decreased to balance the budget

Debt Service Funds

Debt Service Funds

A debt service fund is a governmental fund, with budgetary control, that must be used to account for general long-term debt principal and interest for debt issues and other long-term debts for which a tax has been dedicated. A separate bank account must be kept for this fund. Principal and interest payments for operating indebtedness including warrants, notes, and short-term lease-purchase agreements, are to be made from the fund for which the debt was incurred. This fund utilizes the modified accrual basis of accounting.

Tax Supported Debt Limitation

A school district is also authorized to issue bonds and levy taxes for payment of bonds subject to voter approval of a proposition submitted to the voters under Section 45.003 (b)(1), Texas Education Code, as amended, which provides a tax unlimited as to rate or amount for the support school district bonded indebtedness.

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 to the district 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.

Computation of Legal Debt Limit (Per \$100 of Assessed Valuation)	
Debt Limit	\$0.50000
Interest & Sinking tax rate	0.42100
Balance	\$0.07900

This governmental fund budgeted at \$178,459,971 is established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. This is a budgeted fund, and a separate bank account is maintained for this fund. In May of 2023, the District’s voters authorized \$1.995 billion bonds. As of December 2025, the district has sold \$1,387,500,000 of the 1.995 billion.

Debt Guideline

Although the Board of Trustees do not have an adopted, formal debt policy, the conservatively projected annual growth in assessed valuation should allow the District to meet its guideline of maintaining a maximum Interest & Sinking tax rate of no more than \$0.45000 per \$100 of assessed property valuation. The 2025-2026 Interest & Sinking tax rate is \$0.4210.

Ratings

The District's bonds are rated Aaa by Moody's Investor Services and AAA by Fitch Ratings, by virtue of the Permanent School Fund of the State of Texas. The underlying credit ratings of the district are Aa2 by Moody's Investor Services and AA by Fitch Ratings.

2025- 2026
Adopted Budget

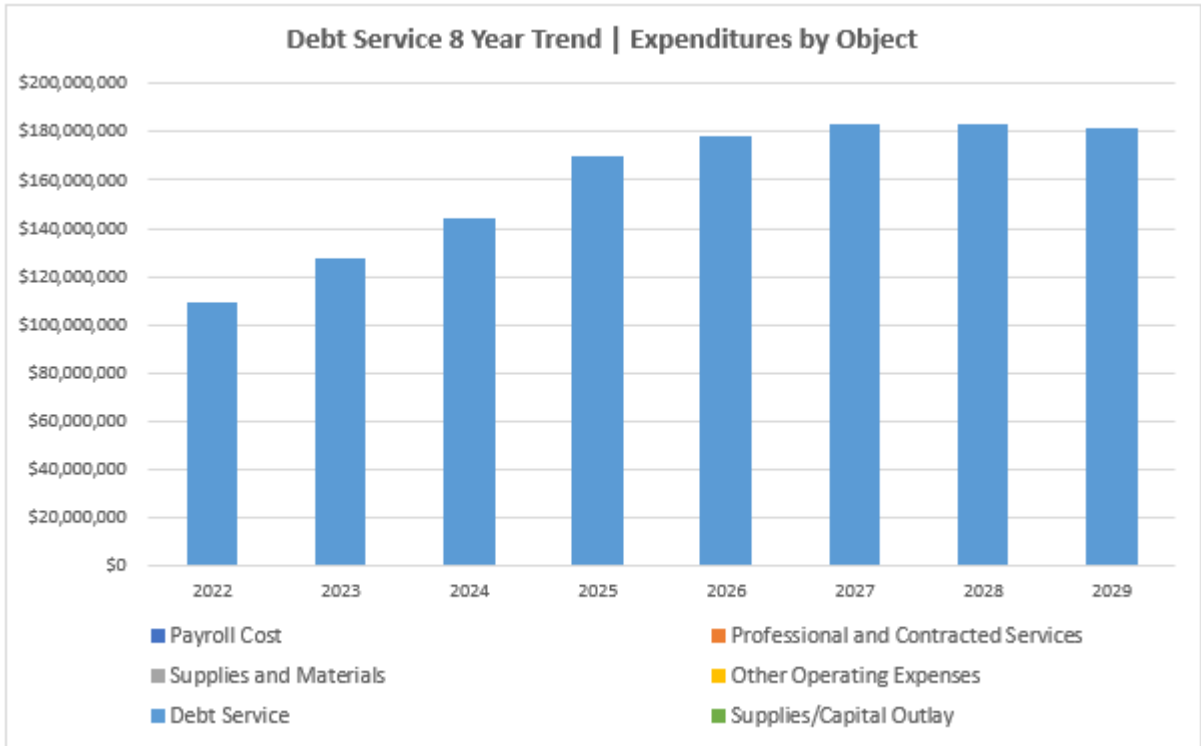
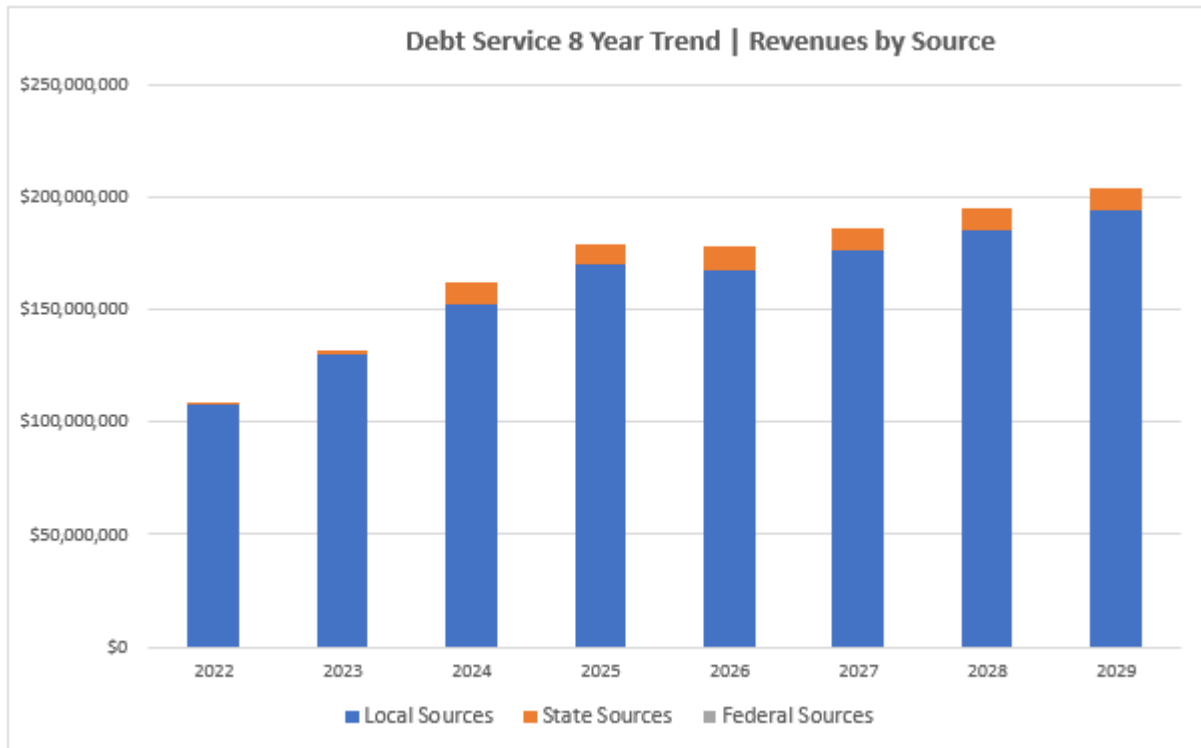
NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE, DEBT SERVICE
FOR THE YEAR ENDING JUNE 30, 2022 THROUGH JUNE 30, 2029

	Audited Financial Reports			Adopted Budget		Financial Forecast		
Description	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29
REVENUES:								
Local and Intermediate Sources	\$107,541,958	\$130,237,614	\$152,151,770	\$170,130,517	\$167,739,736	\$176,126,723	\$184,933,059	\$194,179,712
State Program Revenues	599,813	1,609,761	9,606,321	8,551,973	10,720,235	10,000,000	10,000,000	10,000,000
Federal Program Revenues	-	-	-	-	-	-	-	-
Total Revenues	\$108,141,771	\$131,847,375	\$161,865,563	\$178,682,490	\$178,459,971	\$186,126,723	\$194,933,059	\$204,179,712
EXPENDITURES:								
Payroll Costs								
Contracted Service								
Supplies and Materials								
Miscellaneous								
Debt Service	109,332,505	127,666,424	144,477,763	170,000,000	178,459,971	182,890,267	182,743,017	181,139,892
Capital Outlay	-	-	-	-	-	-	-	-
Total Expenditures	\$109,332,505	\$127,666,424	\$144,477,763	\$170,000,000	\$178,459,971	\$182,890,267	\$182,743,018	\$181,139,892
Excess (Deficiency) of Revenues Over (Under) Expenditures	-1,190,738	4,180,951	17,387,800	8,682,490	-	3,236,456	12,190,041	23,039,820
Other Resources	158,723,707							
Other (Uses)	-157,588,688							
Excess (Deficiency) of Revenues and Other Resources Over Expenditures and Other Uses	-55,715	4,180,951	17,387,800	8,682,490	-	3,236,456	12,190,041	23,039,820
Fund Balance - September 1, (Beginning)	\$70,371,929	\$70,316,214	\$74,497,165	\$91,884,965	\$100,567,455	\$100,567,455	\$103,803,911	\$115,993,952
Increase (Decrease) in Fund Balance	-55,715	4,180,951	17,387,800	8,682,490	-	3,236,456	12,190,041	23,039,820
Fund Balance - June 30 (Ending)	\$70,316,214	\$74,497,165	\$91,884,965	\$100,567,455	\$100,567,455	\$103,803,911	\$115,993,952	\$139,033,772

Assumptions:

- (1) Local Revenue was projected at a 5% increase and State at 10%.
- (2) Payments and interest are based on the district's payment schedules.

2025- 2026 Adopted Budget



Source: Forecast 5

**2025- 2026
Adopted Budget**

Long-Term Debt and Debt Service Requirements

Bonds are secured by ad valorem taxes levied against all taxable property and are serviced by the Debt Service Fund. The principal amount of bond indebtedness cannot exceed 10% of the assessed valuation of taxable property in the District. According to the last completed and approved ad valorem tax rolls of the District, \$98,707,125 was available in the Debt Service Fund to service these bonds.

**Northwest Independent School District
Legal Debt Margin Information**

Fiscal Year:	2025	2024	2023	2022
Debt Limit	\$ 3,765,535,398	\$ 3,535,992,368	\$ 3,042,087,713	\$ 2,552,561,308
Total net debt applicable to limit	2,106,377,875	1,718,339,764	1,355,203,169	1,284,904,282
Legal debt margin	\$ 1,659,157,523	\$ 1,817,652,604	\$ 1,686,884,544	\$ 1,267,657,026
Total net debt applicable to the limit as a percentage of debt limit	55.94%	48.60%	44.55%	50.34%

Current Fiscal Year: Legal debt margin calculation

Taxable Assessed Value - October 2023 (100% of Actual)	\$ 37,655,353,984
Debt limit (10% of assessed value)	3,765,535,398
Total bonded debt	\$ 2,205,085,000
Less restricted for retirement of bonded debt	98,707,125
Total amount of debt applicable to debt limit	2,106,377,875
Legal debt margin	\$ 1,659,157,523

Note: Under state finance law, Northwest Independent School District's outstanding general obligation debt should not exceed 10 percent of the total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Note: Debt limit percentage is in accordance with the Texas Education Code, Bulletin 721, Section 20.04.
Source: Denton Central Appraisal District, Northwest Independent School District.

Northwest Independent School District
OPEB (Other Post-Employment Benefit) Liability

On June 30, 2025, the District reported a liability of \$57,118,630 for its proportionate share of the TRS's Net(" OPEB") Liability. This liability reflects a reduction for State OPEB support provided to the District.

The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's Proportionate share of the collective Net OPEB Liability	\$ 57,118,630
State's proportionate share that is associated with the District	<u>\$ 71,568,889</u>
Total	<u>\$ 128,687,519</u>

The Net OPEB Liability was measured as of August 31, 2023, and rolled forward to August 31, 2024, and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2023, thru August 31, 2024.

On August 31, 2024, the employer's proportion of the collective Net OPEB Liability was 0.1881902683%, an increase of 4.04% compared to the August 31, 2023, proportionate share of 0.1808811160%.

Changes Since the Prior Actuarial Valuation –The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability since the prior measurement period:

- The discount rate changed from 4.13 percent as of August 31, 2023, to 3.87 percent as of August 31, 2024, accompanied by revised demographic and economic assumptions based on the TRS experience study.
- The tables used to model the impact of aging on the underlying claims were revised.

Changes of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

The amount of OPEB expense recognized by the District in the reporting period was \$5,230,699.

For the year ended June 30, 2025, the District recognized OPEB expense of \$(9,302,632) and revenue of \$(9,302,632) for support provided by the State.

**2025- 2026
Adopted Budget**

At June 30, 2025, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits related to OPEB from the following sources (the amounts shown below will be the cumulative layers for the current and prior years combined):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 10,947,724	\$ 28,505,293
Changes in actuarial assumptions	7,310,510	18,637,148
Difference between projected and actual investment earnings	54,784	214,735
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	16,385,908	807,256
Contributions paid to TRS <u>subsequent to the measurement date</u>	1,501,085	-
Total	\$36,200,011	\$48,164,432

Northwest Independent School District recognized \$1,501,085 as deferred outflows of resources related to OPEB resulting from the District's contributions subsequent to the measurement date, which will be recognized as a reduction of the net OPEB liability in the measurement year ended August 31, 2025. The net amount of the employer's balances of deferred outflows and inflows of resources (not including the contributions paid subsequent to the measurement date) related to OPEB will be recognized as OPEB expenses as follows:

Year ended June 30:	OPEB Expense Amount	
2026	\$ (5,112,373)	
2027	(2,525,408)	
2028	(4,184,016)	
2029	(3,822,929)	
2030	(1,409,987)	
Thereafter	3,589,207	

2025- 2026
Adopted Budget

NORTHWEST INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2025

Taxing Jurisdiction	2024/25 Taxable Assessed Value	2024/25 Tax Rate	Total Tax Supported Debt As Of 6/30/2025	Estimated % Applicable	District's Overlapping Tax Supported Debt As Of 6/30/2025
Northwest ISD	\$ 38,124,577,736	\$ 1.08790	\$ 2,205,085,000	100.00%	\$ 2,205,085,000
Alpha Ranch WC&ID	132,082,806	1.00000	17,545,000	100.00%	17,545,000
Argyle, Town of	1,569,615,002	0.34311	7,460,000	7.25%	540,850
Belmont FWSD #1	1,378,705,810	0.60000	93,515,000	25.08%	23,453,562
Brookfield WC&ID	243,836,010	0.87750	31,905,000	100.00%	31,905,000
Canyon Falls WC&ID # 2	567,996,230	0.80000	41,645,000	74.49%	31,021,361
Denton Co	192,279,876,723	0.18787	773,065,000	12.96%	100,189,224
Far North Fort Worth MUD #1	363,323,780	1.00000	47,800,000	100.00%	47,800,000
Flower Mound, Town of	16,991,582,936	0.38728	143,280,000	0.66%	945,648
Fort Worth, City of	121,923,036,056	0.67250	929,240,000	16.57%	153,975,068
Grapevine, City of	13,616,782,087	0.24117	152,370,000	0.32%	487,584
Haslet, City of	2,041,533,918	0.35007	21,708,000	100.00%	21,708,000
Justin, City of	1,127,604,934	0.60012	39,650,000	100.00%	39,650,000
Keller, City of	8,435,801,556	0.29112	68,775,000	0.44%	302,610
New Fairview MUD #1	148,805,614	1.00000	17,155,000	100.00%	17,155,000
New Fairview, City of	283,129,479	0.31000	5,860,000	67.51%	3,956,086
Newark, City of	106,869,819	0.40062	394,000	100.00%	394,000
Northlake MMD #1	858,957,859	0.70500	99,710,000	100.00%	99,710,000
Northlake, Town of	3,277,649,475	0.29500	113,090,000	87.82%	99,315,638
Rhome, City of	262,419,371	0.61877	19,831,000	97.43%	19,321,343
Roanoke, City of	3,912,011,083	0.30804	88,830,000	100.00%	88,830,000
Rolling V Ranch WC&ID No. 1	59,683,059	1.00000	12,575,000	100.00%	12,575,000
Rolling V Ranch WC&ID No. 2	80,663,357	1.00000	6,600,000	100.00%	6,600,000
Southlake, City of	12,018,504,389	0.30500	72,291,000	3.59%	2,595,247
Tarrant Co	289,157,254,040	0.18750	345,130,000	5.36%	18,498,968
Tarrant Co College Dist	317,260,797,092	0.11228	569,915,000	5.36%	30,547,444
Tarrant Co Hosp Dist	289,640,276,553	0.18250	438,230,000	5.36%	23,489,128
Tarrant Regional Water District	117,810,406,451	0.02670	48,940,000	7.29%	3,567,726
Tradition MUD #2B	282,513,200	1.00000	43,720,000	100.00%	43,720,000
Trophy Club MUD # 1	2,736,501,304	0.06250	4,290,000	79.01%	3,389,529
Trophy Club, Town of	3,235,404,068	0.41540	20,800,000	99.06%	20,604,480
Westlake, Town of	2,743,887,709	0.16780	43,332,000	19.33%	8,376,076
Wise Co	13,834,340,132	0.22000	0	15.94%	0
Total Direct and Overlapping Tax Supported Debt					\$ 3,177,254,571
Ratio of Direct and Overlapping Tax Supported Debt to Taxable Assessed Valuation					8.33%
Per Capita Direct and Overlapping Tax Supported Debt					\$ 26,146

**2025- 2026
Adopted Budget**

**NORTHWEST INDEPENDENT SCHOOL DISTRICT
AGGREGATE DEBT SERVICE
BUDGET FOR THE YEAR-AS OF JUNE 30, 2026**

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
12/31/25		49,893,545.59	49,893,545.59
12/31/26	45,755,000	133,927,742.02	179,682,742.02
12/31/27	51,340,000	131,530,267.02	182,870,267.02
12/31/28	53,790,000	128,933,017.02	182,723,017.02
12/31/29	54,880,000	126,239,892.02	181,119,892.02
12/31/30	61,730,000	123,443,775.22	185,173,775.22
12/31/31	68,095,000	120,749,425.12	188,844,425.12
12/31/32	71,540,000	118,184,809.99	189,724,809.99
12/31/33	75,190,000	115,305,590.68	190,495,590.68
12/31/34	79,300,000	112,122,594.93	191,422,594.93
12/31/35	83,430,000	108,849,316.74	192,279,316.74
12/31/36	87,725,000	105,409,658.04	193,134,658.04
12/31/37	92,335,000	101,754,853.73	194,089,853.73
12/31/38	97,130,000	97,925,552.25	195,055,552.25
12/31/39	102,035,000	93,955,869.90	195,990,869.90
12/31/40	107,095,000	89,675,297.65	196,770,297.65
12/31/41	112,730,000	85,015,809.00	197,745,809.00
12/31/42	117,225,000	80,228,971.20	197,453,971.20
12/31/43	123,150,000	75,287,599.00	198,437,599.00
12/31/44	128,125,000	70,007,520.00	198,132,520.00
12/31/45	134,595,000	64,385,806.60	198,980,806.60
12/31/46	138,380,000	58,425,075.00	196,805,075.00
12/31/47	145,460,000	51,965,625.00	197,425,625.00
12/31/48	153,575,000	44,827,050.00	198,402,050.00
12/31/49	151,660,000	37,353,675.00	189,013,675.00
12/31/50	93,650,000	31,285,925.00	124,935,925.00
12/31/51	99,200,000	26,378,175.00	125,578,175.00
12/31/52	105,120,000	21,089,775.00	126,209,775.00
12/31/53	111,360,000	15,482,175.00	126,842,175.00
12/31/54	117,930,000	9,538,312.50	127,468,312.50
12/31/55	124,860,000	3,240,075.00	128,100,075.00
Total	<u>\$2,988,390,000</u>	<u>\$2,432,412,776.22</u>	<u>\$ 5,420,802,776.22</u>

Par Amounts of Selected Issues

Series 2025	Unlimited Tax School Building Bonds	783,305,000
Series 2024	Unlimited Tax School Building Bonds	494,135,000
Series 2023	Unlimited Tax School Building Bonds	369,950,000
Series 2022	Unlimited Tax School Building Bonds	432,365,000
Series 2021	Unlimited Tax School Building Bonds	154,970,000
Series 2020	Unlimited Tax School Building Bonds	337,005,000
Series 2019	Unlimited Tax School Building and Refunding Bonds	167,530,000
Series 2018	Unlimited Tax Refunding Bonds	82,220,000
Series 2017	Unlimited Tax School Building and Refunding Bonds	41,895,000
Series 2016	Unlimited Tax School Building and Refunding Bonds	68,800,000
Series 2015	Unlimited Tax School Building Bonds	53,435,000
Series 2014	Unlimited Tax School Building Bonds	<u>2,780,000</u>
	Total	<u>\$2,988,390,000</u>

**2025- 2026
Adopted Budget**

**NORTHWEST INDEPENDENT SCHOOL DISTRICT
ALL OUTSTANDING UNLIMITED TAX DEBT
BUDGET FOR THE YEAR ENDED JUNE 30, 2026**

Year Ending	Series 2025 Unlimited Tax School Building Bonds	Series 2024 and 2024A Unlimited Tax School Building Bonds	Series 2023 Unlimited Tax School Building Bonds	Series 2022 and 2022A Unlimited Tax School Building Bonds	Series 2021 Unlimited Tax School Building Bonds	Series 2020 and 2020A Unlimited Tax School Bldg & Refunding Bonds
12/31/25			-			
12/31/26		2,590,000		2,465,000	1,575,000	5,075,000
12/31/27		3,330,000		505,000	1,810,000	10,625,000
12/31/28		4,130,000		3,525,000	2,260,000	29,140,100
12/31/29	110,000	4,320,000		10,240,000	2,830,000	23,735,000
12/31/30	305,000	5,625,000	3,825,000	14,280,000	2,360,000	21,850,000
12/31/31	1,160,000	8,055,000	3,860,000	14,235,000	2,9665,000	25,545,000
12/31/32	2,755,000	9,440,000	4,710,000	6,495,000	3,405,000	23,790,000
12/31/33	3,140,000	10,715,000	7,015,000	8,180,000	4,480,000	11,400,000
12/31/34	3,555,000	12,215,000	7,460,000	9,300,000	4,445,000	13,035,000
12/31/35	3,985,000	13,745,000	9,205,000	10,085,000	7,350,000	13,825,000
12/31/36	4,375,000	13,975,000	13,295,000	10,110,000	8,050,000	12,725,000
12/31/37	4,790,000	15,770,000	14,110,000	11,310,000	8,095,000	15,240,000
12/31/38	5,225,000	16,200,000	15,135,000	11,955,000	8,470,000	19,655,000
12/31/39	5,680,000	16,615,000	16,210,000	21,665,000	8,830,000	29,375,000
12/31/40	6,150,000	16,885,000	17,345,000	34,865,000	8,920,000	8,475,000
12/31/41	6,780,000	17,225,000	18,540,000	36,700,000	9,285,000	8,945,000
12/31/42	6,010,000	17,690,000	19,710,000	38,620,000	9,670,000	9,435,000
12/31/43	6,505,000	18,180,000	20,825,000	23,210,000	10,070,000	9,945,000
12/31/44	5,705,000	18,695,000	22,060,000	24,650,000	10,470,000	11,455,000
12/31/45	6,000,000	19,245,000	31,090,000	29,590,000	14,935,000	33,735,000
12/31/46	5,065,000	44,980,000	38,780,000	24,860,000	24,695,000	-
12/31/47	5,425,000	46,685,000	42,615,000	50,735,000	-	-
12/31/48	5,880,000	48,750,000	64,160,000	34,785,000	-	-
12/31/49	42,585,000	109,075,000	-	-	-	-
12/31/50	93,650,000-	-	-	-	-	-
12/31/51	99,200,000-	-	-	-	-	-
12/31/52- 2055	459,270,000	-	-	-	-	
TOTAL	783,305,000	494,135,000	369,950,000	432,365,000	154,970,000	337,005,000

**2025- 2026
Adopted Budget**

**NORTHWEST INDEPENDENT SCHOOL DISTRICT
ALL OUTSTANDING UNLIMITED TAX DEBT
BUDGET FOR THE YEAR ENDED JUNE 30, 2026**

Series 2019 Unlimited Tax School Building & Refunding Bonds	Series 2018 Unlimited Tax Building Bonds	Series 2017 Unlimited Tax School Bldg. & Refunding Bonds	Series 2016 and 2016A Unlimited Tax Refunding Bonds	Series 2015 A&B Unlimited Tax School Bldg & Refunding Bonds	Series 2014 Unlimited Tax School Building & Bonds	Total Principal
2,465,000	1,255,000	2,345,000	2,105,000	25,880,000	-	45,755,000
2,885,000	1,265,000	2,700,000	3,330,000	23,810,000	1,080,000	51,340,000
3,050,000	1,275,000	2,880,000	3,35,000	3,745,000	150,000	53,790,000
6,870,000	1,290,000	3,245,000	2,000,000	-	240,000	54,880,000
7,320,000	1,300,000	1,265,000	3,000,000	-	600,000	61,730,000
3,725,000	1,415,000	1,355,000	5,070,000	-	710,000	68.095,000
4,475,000	1,335,000	1,890,000	13,245,000	-	-	71,540,000
9,840,000	1,890,000	3,100,000	15,430,000	-	-	75.190,000
10,310,000	1,365,000	3,515,000	14,100,000		-	79,300,000
12,085,000	1,395,000	4,870,000	6,885,000		-	83,430,000
13,550,000	3,015,000	8,630,000	-		-	87,275,000
17,060,000	4,460,000	1,500,000	-	-	-	92,335,000
13,790,000	2,100,000	4,600,000	-	-	-	97,130,000
1,270,000	2,390,000	-	-	-	-	102,035,000
2,135,000	12,320,000	-	-	-	-	107,095,000
2,300,000	12,955,000	-	-	-	-	112,730,000
2,505,000	13,585,000	-	-	-	-	117,225,000
16,805,000	17,610,000	-	-	-	-	123,150,000
35,090,000	-	-	-	-	-	128,125,000
-	-	-	-	-	-	134,595,000
-	-	-	-	-	-	138,380,000
-	-	-	-	-	-	145,460,000
-	-	-	-	-	-	153,575,000
-	-	-	-	-	-	151,660,000
-	-	-	-	-	-	93,650,000
-	-	-	-	-	-	99,200,000
-	-	-	-	-	-	459,270,000
167,530,000	82,220,000	41,895,000	68,800,000	53,435,000	2,780,000	2,988,390,000

Capital Projects Funds

Capital Projects Funds

This governmental fund is established to account for proceeds, on the modified accrual basis, from the sale of bonds and other resources to be used for Board authorized acquisition, construction, or renovation, as well as, furnishing and equipping of major capital facilities.

Capital Projects History

Northwest ISD lies within one of the fastest growing areas in Texas. The District serves 32,095 students in grades pre-kindergarten through twelfth, a projected increase of 1,290 students. The district operates three comprehensive high schools, an early college high school, seven middle schools, twenty-three elementary schools, and a special programs center.

In **2001**, District voters approved a \$182.2 million dollar bond issue to accommodate the 3,000 additional students expected to enroll in the district over the next five years. This bond provided for renovations at every school, classroom additions, campus improvements, and a new stadium. However, differing from the previous bond issue, the focus was on renovating and expanding existing campuses.

In **2005**, District voters passed a \$224.5 million bond election. Ninety-six percent of this bond addressed student enrolment growth. The bond package contained: \$209.4 million providing 7,000 seats for student growth, \$10 million for technology improvements and replacement, and \$5.1 million for roof and HVAC replacement projects.

In **2008**, District voters passed a \$260 million bond election. Ninety-two percent of this bond addressed student enrolment growth. The bond package contained: \$216.0 million providing one middle school and seven elementary schools, \$17.0 million for technology for new schools, replacement, and initiatives, \$9.9 million for classroom additions and roof and HVAC system replacements, \$9.5 million for one middle school and eight elementary school sites, and \$7.6 million for orchestra classrooms and Career Pathways/Academies.

In **2012**, District voters passed a \$255 million bond election. Eighty-three percent of this bond addresses student enrolment growth. The bond package contained: \$212 million providing (4,000 seats) one high school, one middle school, Career Academies and Pathways, and classrooms for Science, Math, and Environmental Studies, \$25 million for technology for new schools, replacement, and initiatives, \$18.6 million for classroom additions, safety and security equipment updates, roof, flooring, and HVAC system replacements.

On May 6, **2017**, District voters passed a \$399 million bond election. Enrollment is expected to increase by an additional 6,200 students during the next five years. Combined with current school district projects, the bond will provide for an additional 7,000 student seats.

On May 1, **2021**, District voters passed three of the four propositions for a total bond package of \$737.5 million. The bond package will accommodate 4,000-5,000 new students by the school year 2024-2025 and provide school facilities, capital improvements, technology devices and middle school recreational facilities. On the following pages is a current Capital Project Funds forecast based on project completion dates. All bond funds are expected to be spent by the end of the 2024-2025 school year.

May 6, **2023**, Northwest ISD voters approved all three propositions as part of the school district's 2023 bond election. The approval will fund \$1.995 billion worth of projects in a historic package that will construct twelve new schools and additional facilities for one of the fastest-growing school districts in North Texas.

With the opening of any new school, the General Fund is increased to address the additional costs of school operations. These additional operating costs are funded through property taxes and state funding.

2025- 2026
Adopted Budget

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE, CAPITAL PROJECTS
FOR THE YEAR ENDING JUNE 30, 2022, THROUGH JUNE 30, 2029

	Audited Financial Reports			Adopted Budget		Financial Forecast		
Description	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29
REVENUES:								
Local and Intermediate Sources	\$609,535	\$12,637,433	\$23,841,845	\$30,000,000	\$10,000,000	\$10,200,000	\$10,404,000	\$10,612,080
State Program Revenues	46,776	-	-	-	-	-	-	-
Federal Program Revenues	-	-	-	-	-	-	-	-
Total Revenues	\$656,311	\$12,637,433	\$23,841,845	\$30,000,000	\$10,000,000	\$10,200,000	\$10,404,000	\$10,612,080
EXPENDITURES:								
Payroll Costs	\$942,220	\$1,009,261	\$1,340,442	\$1,662,349	\$2,310,527	\$2,432,985	\$2,561,933	\$2,697,716
Contracted Service	-	41,763	1,466,813	10,000,000	16,333,270	3,000,000	3,030,000	3,060,300
Supplies and Materials	18,440,204	22,772,598	17,867,120	18,692,539	21,119,862	25,551,061	28,586,572	28,619,397
Miscellaneous	-	144,398	57,136	100,000	96,888	97,857	98,836	99,824
Debt Service	2,818,748	1,166,707	3,972,448	-	-	-	-	-
Capital Outlay	87,302,300	327,078,349	293,156,215	473,964,016	506,700,395	400,000,000	271,813,862	280,962,914
Total Expenditures	\$109,503,473	\$352,213,075	\$317,860,174	\$504,418,904	\$546,560,944	\$431,081,904	\$306,091,204	\$315,440,151
Excess (Deficiency) of Revenues Over (Under) Expenditures	-108,847,163	-339,575,642	-294,018,329	-474,418,904	-536,560,944	-420,881,904	-295,687,204	-304,828,071
Other Resources	\$402,818,748	\$152,021,303	\$591,472,448	\$400,000,000	\$804,687,004	\$195,406,500	\$200,000,000	0
Other (Uses)								
Excess (Deficiency) of Revenues and Other Resources								
Over Expenditures and Other Uses	\$293,971,585	-\$187,554,339	\$297,454,119	-\$74,418,904	\$268,126,060	-\$225,475,404	-\$95,687,204	-\$304,828,071
Fund Balance - September 1, (Beginning)	\$83,859,437	\$77,831,023	\$190,276,684	\$487,730,805	-\$413,311,901	\$681,437,961	\$455,962,558	\$360,275,354
Increase (Decrease) in Fund Balance	\$293,971,585	-\$187,554,339	\$297,454,119	-\$74,418,904	\$268,126,060	-\$225,475,404	-\$95,687,204	-\$304,828,071
Fund Balance - June 30 (Ending)	\$377,831,023	\$190,276,684	\$487,730,805	\$413,311,901	\$681,437,961	\$455,962,558	\$360,275,354	\$55,447,282

Assumptions:

- (1) Local revenue was projected to increase by 2% with the increase we expect in interest earned.
- (2) Payments will remain high as we just passed a bond and are building multiple sites.
- (3) Forecasted a 5.3% pay raise for FY27, FY28 and FY29.
- (4) Bond sales are unknown at the moment but the District does not anticipate to have a negative fund balance as forecaste

2025- 2026
Adopted Budget

NORTHWEST INDEPENDENT SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS - MASTER PROJECT LIST
2021 BOND AUTHORIZATION
BUDGET FOR THE YEAR ENDING JUNE 30, 2025

						Project Schedule					
	Project	Project	Original		21	22	23	24	25	26	
	Type	Number	Budget		22	23	24	25	26	27	
PROPOSITION A											
Growth: New Facilities, Additions and Land											
New Elementary #22	New	21A-125	\$42,450,000.00				X				
New Elementary #23	New	21A-126	\$45,800,000.00					X			
Middle School #7	New	21A-048	\$81,370,000.00				X				
Replacement Hatfield	New	21A-110	\$40,345,000.00				X				
Replacement Seven Hills	New	21A-108	\$40,280,000.00				X				
Additional Pre-K Classrooms (11 ES)	Addition	21A-PREK	\$13,435,000.00					X			
Pike Replacement Middle School	Addition	21A-043	\$94,620,000.00					X			
Northwest HS Additions & Renovations	Addition	21A-001	\$160,335,000.00					X			
Land Acquisition	Site Purchases	21A-S99	\$16,850,000.00			X	X	X			
Capital Improvements and Renovations											
Fire Alarms	Improvement	21A-FIRE	\$845,000			X	X	X			
Kitchen Floor - Prairie View	Improvement	21A-111	\$76,000			X					
Gymnasium Upgrades (flooring, sound system, etc.)	Improvement	21A-GYMS	\$1,950,000			X					
Roof Lifecycle Replacements (4 campuses)	Improvement	21A-ROOF	\$9,100,000				X	X			
Hard Floor Lifecycle Replacements (3 campuses)	Improvement	21A-FLR	\$915,000		X						
Carpet Lifecycle Replacements (10 campuses)	Improvement	21A-CARP	\$6,270,000			X					
HVAC Lifecycle Replacements (6 campuses)	Improvement	21A-HVAC	\$8,610,000					X			
Hatfield to Admin Space	Renovation	21A-ADM1	\$18,400,000				X				
Central Administration	Renovation	21A-ADM2	\$15,750,000				X				
West Operations Facility	Renovation	21S-952	\$5,200,000		X						
Equity/Evolving Needs											
Special Education Upgrades - Middle School	Improvement	21A-SPED	\$610,000				X				
Buses for Growth (21)	New	21A-BUS	\$2,190,000								
PLTW Labs	Improvement	21A-PLTW	\$335,000				X				
Skills for Living CTMS and Medlin	Improvement	21A-SKIL	\$870,000				X				

**2025- 2026
Adopted Budget**

						Project Schedule						
		Project		Project		Original	21	22	23	24	25	26
		Type		Number		Budget	22	23	24	25	26	27
Elementary Playground Additions		Addition		21A-PLY1		\$2,525,000		X				
Elementary Playground Expansion		Improvement		21A-PLY2		\$3,830,000		X				
Elementary Playground Surfacing		Improvement		21A-SURF		\$2,060,000		X				
Technology												
Technology Infrastructure		Improvement		21A-INFR		\$76,995,000	X	X	X	X		
Safety and Security - Technology PA, Access Control		Improvement		21A-S&S		\$13,515,000	X	X	X	X		
Cell Phone Boosters & Monitors		Improvement		21A-CELL		\$5,400,000	X	X	X	X		
Radio Upgrades and Repeaters		Improvement		21A-RAD		\$219,000	X	X	X	X		
Bond Salaries												
Bond Salaries		Salaries		21A-SAL		\$1,250,000	X	X	X	x		
PROPOSITION C												
Middle School No. 7 - Tennis and Football Field		New		21C-048		\$3,400,000			X			
Middle School Tennis Court Resurfacing		Improvement		21C-TENN		\$1,300,000	X					
Medlin MS Tennis Courts		Improvement		21C-042		\$1,000,000	X					
PROPOSITION D												
New Devices for Students Replacements & Growth		New		21D-SDV		\$6,450,000	X	X	X	X		
New Devices for Teachers Replacements & Growth		New		21D-TDV		\$12,950,000	X	X	X	X		
TOTAL						\$737,500,000						

Fund 621

On May 1, **2021**, District voters passed three of the four propositions for a total bond package of \$737,500,000. The bond package will accommodate 4,000-5,000 new students by the school year 2024-2025 and provide school facilities, capital improvements, technology devices and middle school recreational facilities. Above is a current Capital Project Funds forecast based on project completion dates.

**2025- 2026
Adopted Budget**

**NORTHWEST INDEPENDENT SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS - MASTER PROJECT LIST
2023 BOND AUTHORIZATION
BUDGET FOR THE YEAR ENDING JUNE 30, 2025**

							Project Schedule				
	Project		Project		Original		23	24	25	26	27
	Type		Number		Budget		24	25	26	27	28
PROPOSITION A											
Growth: New Facilities, Additions and Land											
EARLY CHILDHOOD CENTER #1	New		23A-201		\$41,517,250.00					X	
EARLY CHILDHOOD CENTER #2	New		23A-202		\$41,517,250.00						X
EARLY CHILDHOOD CENTER #3	New		23A-203		\$41,517,250.00						
EARLY CHILDHOOD CENTER #4	New		23A-204		\$41,517,250.00						
PERRIN ES	New		23A-126		\$54,827,000.00		X				
NEW ELEMENTARY #24	New		23A-127		\$61,944,000.00					X	
NEW ELEMENTARY #25	New		23A-128		\$61,944,000.00						X
NEW ELEMENTARY #26	New		23A-129		\$69,270,000.00						X
NEW JUSTIN ELEMENTARY	New		23A-102		\$61,944,000.00				X		
NEW PRAIRIE VIEW ELEMENTARY	New		23A-111		\$69,270,000.00				X		
MIDDLE SCHOOL #8	New		23A-049		\$145,947,000.00					X	
COMPREHENSIVE HIGH SCHOOL #4	New		23A-013		\$448,405,000.00						X
NANCE ADDITION	Addition		23A-112		\$15,685,000.00				X		
NEW AGRICULTURE CENTER	New		23A-AGR		\$33,972,000.00						X
RELOCATE TRANSPORTATION FACILITY	New		23A-934		\$24,914,000.00					X	
CENTRAL MASTER PLAN	Improvements		23A-PLN		\$11,721,000.00					X	
LAND ACQUISITION	Land		23A-S99		\$30,000,000.00						
BUSES FOR GROWTH	Transportation		23A-BUS		\$7,526,000.00						
Capital Improvements and Renovations											
NEW CENTRAL ADMINISTRATION, CONSTRUCTION, AND MAINTENANCE	New/Renovation		23A-ADM2		\$109,096,000				X		
DISTRIBUTION CENTER MODIFICATIONS	Renovation		23A-954		\$5,596,000			X			
WEST OPERATIONS FACILITY MODIFICATIONS	Renovation		23A-952		\$2,619,000			X			
STEELE RENOVATIONS; FINE ARTS ITEMS	Renovation		23A-010		\$9,673,000					X	
LLC PARKING LOT ADDITION	Addition		23A-012		\$1,102,000		X				
Equity/Evolving Needs											
CTE IMPROVEMENTS AND RENOVATIONS	Improvements		23A-999		\$904,000		X				
TILE CORRIDOR WALLS AT EXISTING CAMPUSES	Improvements		23A-999		\$983,000				X		
HVAC WORK GRADE D&F	Improvements		23A-999		\$51,454,000			X			
ROOF REPLACEMENT	Improvements		23A-999		\$22,384,000						
REPLACE AGED FLOORING - CARPET 2023 & 2024	Improvements		23A-999		\$5,673,000			X			

**2025- 2026
Adopted Budget**

							Project Schedule				
		Project		Project		Original	23	24	25	26	27
		Type		Number		Budget	24	25	26	27	28
CONVERT TO LED LIGHTING - PHASE 1		Improvements		23A-999		\$4,712,000		X			
INDOOR AIR QUALITY ENHANCEMENT - GRADE D&F		Improvements		23A-999		\$5,004,000		X			
BUILDING AUTOMATION GRADE D&F		Improvements		23A-999		\$20,027,000		X			
BUILDING ENVELOPE GRADE D&F		Improvements		23A-999		\$345,000		X			
WATER CONSUMPTION/IRRIGATION UPGRADES GRADE F		Improvements		23A-999		\$942,000		X			
TRANSFORMER REPLACEMENT		Improvements		23A-999		\$1,725,000		X			
ENLARGE HS CAFETERIAS (6A)		Improvements		23A-999		\$23,758,000				X	
ENLARGE HS COMPETITION GYMS (6A)		Improvements		23A-999		\$19,156,000				X	
ENLARGE HS AUDITORIUMS (6A)		Improvements		23A-999		\$26,060,000				X	
BNHS AUDITORIUM RENOVATIONS		Improvements		23A-999		\$2,598,000				X	
ADDITIONAL BLEACHERS (NOT EXCEEDING 1000 SEATS TOTAL)		Improvements		23A-999		\$6,119,000				X	
NON-STADIUM TURF REPLACEMENT		Improvements		23A-999		\$3,279,000	X				
NON-STADIUM ATHLETIC LIGHTING		Improvements		23A-999		\$5,203,000		X			
MIDDLE SCHOOL FCS KITCHEN UPGRADES		Improvements		23A-999		\$191,000	X				
FURNITURE - ES CLASSROOM 2023-2024		Improvements		23A-999		\$16,464,000		X			
Technology											
INFRASTRUCTURE		Technology		23A-INFR		\$24,366,000	X	X	X	X	X
COMMUNICATIONS		Technology		23A-COMM		\$2,618,000	X	X	X	X	X
SYSTEMS		Technology		23A-SYST		\$4,983,000	X	X	X	X	X
AUDIO/VISUAL UPGRADES		Technology		23A-AV		\$3,033,000	X	X	X	X	X
CYBER SECURITY		Technology		23A-S&S		\$8,448,000	X	X	X	X	X
Safety & Security											
SECURITY SHADES FOR EXISTING CLASSROOMS		Safety & Security		23A-WIN		\$1,780,000	X	X	X	X	X
FIRE ALARM REPLACEMENT		Safety & Security		23A-FIRE		\$77,000	X	X	X	X	X
BDA (BI-DIRECTIONAL ANTENNA) RADIO SYSTEM		Safety & Security		23A-BDA		\$6,324,000	X	X	X	X	X
SAFETY AND SECURITY HARDWARE ITEMS		Safety & Security		23A-HARD		\$1,948,000	X	X	X	X	X
PHYSICAL SECURITY		Safety & Security		23A-S&S		\$10,111,000	X	X	X	X	X
PROPOSITION A TOTALS						\$1,672,193,000					

**2025- 2026
Adopted Budget**

						Project Schedule					
	Project		Project		Original	23	24	25	26	27	
	Type		Number		Budget	24	25	26	27	28	
PROPOSITION B - STADIUM PROJECTS OVER 1000 SEATS											
HOME STADIUM - BNHS	New		23B-007		\$91,207,667	-	-	X	-	-	
HOME STADIUM - EHS	New		23B-011		\$91,207,667	-	-	X	-	-	
HOME STADIUM NEW HS #4	New		23B-013		\$91,207,666	-	-	-	X	-	
TEXAN FIELD RENOVATIONS (NISD TRACK & FIELD COMPLEX)	Improvements		23B-TRAC		\$21,747,000	-	-	X	-	-	
STADIUM HVAC WORK	Improvements		23B-HVAC		\$2,012,000	-	X	-	-	-	
STADIUM LED LIGHT REPLACEMENT (NISD & TEXAN FIELD)	Improvements		23B-LED		\$1,778,000	-	X	-	-	-	
NISD STADIUM ROOF REPLACEMENT	Improvements		23B-ROOF		\$1,744,000	-	X	-	-	-	
STADIUM BUILDING AUTOMATION	Improvements		23B-BLDG		\$323,000	-	X	-	-	-	
STADIUM TRANSFORMER REPLACEMENT	Improvements		23B-TRAN		\$133,000	-	X	-	-	-	
STADIUM FIRE ALARM REPLACEMENT	Improvements		23B-FIRE		\$195,000	-	X	-	-	-	
PROPOSITION B TOTALS					\$301,555,000						
PROPOSITION C											
NEW TECHNOLOGY DEVICES	<u>Technology</u>	-	21C-DEV		\$21,752,000						
PROPOSITION C TOTALS											
TOTAL					\$1,995,500,000						

Fund 622

May 6, **2023**, Northwest ISD voters approved all three propositions as part of the school district's 2023 bond election. The approval will fund \$1.995 billion worth of projects in a historic package that will construct 12 new schools and additional facilities for one of the fastest-growing school districts in North Texas.

Supporting Financial Schedules and Crosswalks

Combined Statement of Expenditures by Function and Object Code

The Combined Statement of Expenditures by Function and Object Code expands upon the expenditures portion of the Combined Statement of Revenues, Expenditures and Changes in Fund Balance. Expenditures for all funds are broken down to the Function Code and major Object Code level.

The **Function Code** is a mandatory 2-digit code applied to expenditures/ expenses that identifies the purpose of the transaction. The first digit identifies the major class and the second digit refers to the specific function within the area. Example: The function "Health Service" is coded 33. The first 3 specifies Support Services - Student (Pupil) and the second 3 is Health Services.

The **Object Code** is 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. Example: Money received for current year taxes is classified in account 5711. The 5 denotes revenue, the 7 shows Local and Intermediate Sources, the 1 denotes local real and personal property taxes revenue and the final 1 specifies current year levy.

Object	Title
---------------	--------------

5000	Revenue Control Accounts: District revenues are classified by fund and object or source. There are three major sources: local, state and federal. Local sources include tax collections and investment earnings. Texas state sources rely on a formula of local property taxes and student enrollment for state aid and are based on legislated funding formulas. Federal funds are primarily reimbursements received from the School Health Related Service (SHARS) program.
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Other Local Sources: Other local sources include interest earnings, reform from district facilities, gifts and donations, insurance recovery, revenue from activity accounts, lunch sales, athletic gate fees, concessions sales and advertising.

- | | |
|-------------|---|
| 5700 | Revenues from Local and Intermediate Sources <ul style="list-style-type: none">• Local Real and Personal Property Taxes• Service Rendered to Other School Districts• Tuition and Fees• Other Revenues from Local Sources• Cocurricular, Enterprising Services or Activities• Revenues from Intermediate Sources |
|-------------|---|

- | | |
|-------------|---|
| 5800 | State Program Revenues <ul style="list-style-type: none">• Per Capita and Foundation School Program• State program Revenues distributed by TEA• State Revenues Other than TEA• Shared Services Arrangements |
|-------------|---|

- | | |
|-------------|--|
| 5900 | Federal Program Revenue <ul style="list-style-type: none">• Other than State or Federal Agencies• Federal Revenues Distributed by TEA• Federal Revenues Distributed other than TEA• Directly from the Federal Government |
|-------------|--|

**2025- 2026
Adopted Budget**

Budgeted Expenditures by Fund, Function and Object

The Budgeted Expenditures by Fund, Function and Object expands upon the expenditures portion of the Combined Statement of Revenues, Expenditures and Changes in Fund Balance for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds. Expenditures for all funds are broken down to the Function Code and major Object Code level. The Function Code and Object Code are explained in the preceding paragraphs above.

The current year adopted budget is organized by major fund. Also, a financial crosswalk is included which summarizes the information by major object code.

6000 **Expenditure/Expense Control Accounts:** Expenditure budgets are legally adopted at the fund and function level; however, within this document we have talked about segregate expenditures by major objects.

6100 **Payroll Costs**

6200 **Professional and Contracted Services**
Legal Services, Tax Appraisal & Collections, Utilities, Rentals, Consulting Services and Miscellaneous Contract Services.

6300 **Supplies and Materials**
Gasoline and Other Fuels, Textbooks, Reading Materials, Testing Materials, Items for Sale and General Supplies.

6400 **Other Operating Costs**
Employee Travel, Student Travel, Insurance and Bonding Costs, Election Costs, Membership Dues, Miscellaneous Operating Costs, Reclassified Transportation Expenses.

6500 **Debt Service**

6600 **Capital Outlay**
Building Purchase, Construction or Improvement, Furniture and Equipment, Vehicles, Software >\$5000

Sub-Object Code

A 2-digit code for optional use to provide special accountability at the local level.

**2025- 2026
Adopted Budget**

**NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
ALL FUNDS
BUDGET FOR THE YEAR ENDING JUNE 30, 2026**

		Debt	Capital	Food	Special	
	General	Service	Project	Service	Revenue	Total
Description	Fund	Funds	Funds	Funds	Funds	Funds
REVENUES:						
Local and Intermediate Sources	\$260,073,384	\$167,739,736	\$10,000,000	\$9,182,876	\$9,241,866	\$447,054,986
State Program Revenues	89,760,893	10,720,235		39,960	\$1,418,862	101,899,990
Federal Program Revenues	1,768,826			5,070,397	\$14,792,427	16,561,253
Total Revenues	\$351,603,103	\$178,459,971	\$10,000,000	\$14,293,233	\$25,453,155	\$565,516,229
EXPENDITURES:						
Payroll Costs	\$286,337,718		\$2,310,527	\$72,159	\$9,243,242	\$297,891,487
Contracted Service	37,962,218		16,333,270	13,295,736	13,921,705	68,217,194
Supplies and Materials	15,444,116		21,119,862	803,559	1,898,279	265,540,461
Miscellaneous	11,605,199		96,888		3,673,312	15,375,400
Debt Service		\$178,459,971				178,459,971
Capital Outlay	253,852		506,700,395		213,023	1,418,466,898
Total Expenditures	\$351,603,103	\$178,459,971	\$546,560,944	\$14,171,454	28,949,560	\$2,243,951,411
Excess of Revenues Over / Under						
Expenditures	\$0	\$0	-\$536,560,944	\$121,779	-\$3,496,405	\$1,678,435,182
Other Resources			804,687,044			804,687,044
Other (Uses)						
Excess (Deficiency) of Revenues and Other Resources						
Over Expenditures and Other Uses	\$0	\$0	-\$268,126,100	\$121,779	-\$3,496,405	-\$873,748,178
Fund Balance - September 1, (Beginning)	\$94,452,092	\$100,567,455	\$413,311,901	\$2,076,531	\$2,999,392	\$611,330,839
Increase (Decrease) in Fund Balance	\$0	\$0	\$268,126,100	\$121,779	\$-3,496,406	\$264,629,655
Fund Balance - June 30 (Ending)	\$94,452,092	\$100,567,455	\$681,437,961	\$2,198,310	-\$497,014	\$875,960,494

2025- 2026
Adopted Budget

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE
ALL FUNDS
BUDGET FOR THE YEARS ENDING JUNE 30, 2029

	Audited Financial Reports			Adopted Budget		Financial Forecast		
<u>Description</u>	<u>21-22</u>	<u>22-23</u>	<u>23-24</u>	<u>24-25</u>	<u>25-26</u>	<u>26-27</u>	<u>27-28</u>	<u>28-29</u>
REVENUES:								
Local and Intermediate Sources	344,696,998	427,024,646	442,237,455	490,024,592	447,054,986	469,569,829	\$ 493,250,623	518,160,167
State Program Revenues	27,882,897	33,790,144	66,465,943	49,272,544	101,899,990	105,738,743	110,525,680	115,551,964
Federal Program Revenues	31,131,357	25,855,355	13,260,802	15,335,899	16,561,253	17,389,316	18,258,781	19,171,721
Total Revenues	403,711,252	486,670,144	521,964,200	554,633,035	565,516,229	592,697,887	622,035,084	652,883,851
EXPENDITURES:								
Payroll Costs	204,717,990	230,775,996	256,471,788	279,493,978	297,891,487	313,679,735	330,304,761	347,810,914
Contracted Service	47,853,309	70,367,377	54,148,130	63,720,092	68,209,694	56,005,165	57,598,503	59,661,143
Supplies and Materials	31,300,121	40,240,089	33,456,269	38,887,404	38,462,257	43,356,779	47,028,587	47,888,600
Miscellaneous	9,162,617	11,560,595	13,421,014	15,076,670	15,382,900	15,732,249	16,211,671	16,834,636
Debt Service	112,151,253	128,833,131	148,450,211	170,000,000	178,459,971	182,890,267	182,743,017	181,139,892
Capital Outlay	88,315,158	328,806,814	295,080,274	474,222,368	507,167,270	400,474,491	272,298,811	281,461,460
						-		
Total Expenditures	493,500,452	810,583,996	801,027,684	1,041,400,512	1,105,573,578	1,012,138,686	906,185,351	934,796,644
Excess (Deficiency) of Revenues Over (Under)								
Expenditures	(89,789,200)	(323,913,851)	(279,063,483)	(486,767,477)	(540,057,349)	(419,440,799)	(284,150,267)	(281,912,793)
Other Resources	561,942,641	152,027,743	592,752,075	400,000,000	804,687,004	400,000,000	350,000,000	250,000,000
Other (Uses)	(158,562,918)	-	(10,599)	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Resources								
Over Expenditures and Other Uses	313,590,523	(171,886,108)	313,677,993	(86,767,477)	264,629,655	(19,440,799)	65,849,733	(31,912,793)
Fund Balance - September 1, (Beginning)	242,257,707	555,848,230	383,962,122	697,640,115	610,872,638	875,502,293	856,061,494	987,760,959
Increase (Decrease) in Fund Balance	313,590,523	(171,886,108)	313,677,993	(86,767,477)	264,629,655	(19,440,799)	65,849,733	(31,912,793)
Fund Balance - June 30 (Ending)	555,848,230	383,962,122	697,640,115	610,872,638	875,502,293	856,061,494	\$ 987,760,959	923,935,373

Fund Balance

**Northwest Independent School District
Financial Statements Notes
FYE June 30, 2025**

The District has implemented Governmental Accounting Standards Board (“GASB”) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" which provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

Fund Balance Classification: The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified prepaid items as being nonspendable as these items are not expected to be converted to cash.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the District's bonded debt and are restricted through debt covenants. Capital projects fund resources are to be used for future construction and renovation projects and are restricted through bond orders and constitutional law.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board of Trustees. The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This can also be done through adoption and amendment of the budget. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board of Trustees have committed resources as of June 30, 2025 for campus activities.
- **Assigned:** This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or through the Board of Trustees delegating this responsibility to other individuals in the District. Under the District's adopted policy, the Board of Trustees may assign amounts for specific purposes, but it has also delegated authority to assign fund balance to the Superintendent. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The District has assigned fund balance of the General Fund as of June 30, 2025 as detailed below.
- **Unassigned:** This classification includes all amounts not included in other spendable classifications, including the residual fund balance for the General Fund. A negative unassigned fund balance may be reported in other governmental funds if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

2025- 2026 Adopted Budget

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Trustees has provided otherwise in its commitment or assignment actions. During the current fiscal period, the Board of Trustees adopted a fund balance policy that expresses an intent to maintain a level of assigned and unassigned fund balance in the general fund equal to 25 percent of the fund's operating expenditures.

The details of the fund balances are included in the Governmental Funds Balance Sheet and are described below:

General Fund

The General Fund has unassigned fund balance of \$113,731,890 at June 30, 2025. Prepaid items of \$1,262,747 and inventories of \$118,798 are considered nonspendable fund balance.

Other Major Funds

The Debt Service Fund has restricted funds of \$98,707,125 at June 30, 2025, consisting primarily of property tax collections that are restricted for debt service payments on bonded debt. The Capital Projects Fund has restricted funds of \$427,465,367 at June 30, 2025, consisting primarily of unspent bond funds and \$1,949,089 set aside for capital replacements.

Other Funds

The fund balance of \$5,329,211 of the Campus Activity Fund, \$26,242 in the Northwest ISD Education Foundation, and \$42,304 in Other Local Funds (all special revenue funds) are shown as committed due to Board policy committing those funds to those purposes. The fund balance of \$2,821,250 in the Child Nutrition Fund is shown as restricted for the food service program.

Local District Requirements

The Northwest Independent School District Board Policy Manual is available through the Texas Association of School Boards *Policy On Line* at: <http://pol.tasb.org/Policy/Section/391?filter=C>