



National Merit Commended Scholars





FINANCIAL SUMMARY

NORTHWEST INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

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 $966,771,204 an increase of $315,334,539 from the prior year. Approximately 15.7% of this total amount ($151,750,759) 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 ($114,948,831), or for capital projects ($696,048,807), food service ($2,438,196), or already spent on prepaid items ($1,359,302) or inventories ($225,309).

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 $143,040,481, while the total fund balance was $144,602,329. 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 42.40% of the total general fund expenditures, while the total fund balance represents 42.86% of that same amount. Both percentages exceed the minimally acceptable benchmark of 25% that is normally associated with general fund balances.

The fund balance of the District's general fund increased by $29,506,252 during the current fiscal year, compared to a $4,773,290 increase in the previous year. Key factors related to this change are as follows:

- A $7,502,500 increase in property tax revenues combined with a $28,388,270 increase in state per capita and foundation revenue contributed to a $29,761,563 or 8.83% overall increase in total revenues. The increase in property tax revenue was due primarily to a $1,348,801,168 increase in property valuations, as that was offset by a small decrease in the maintenance and operations tax rate and a 0.62% decrease in the percentage of current year tax collections. Funding provided by the state for per capita and foundation revenue increased significantly due to the additional targeted funding described earlier.
- Expenditures increased $5,135,712 or 1.55% with virtually all functional expenditure totals comparable to the prior year. The $3,804,960 or 1.93% increase in instructional expenditures accounts for the majority of the increase in expenditures for the year. Though student enrollment continues to increase (up 2.3% in the current year), a concerted effort was made by the District to curtail expenditures in the current fiscal year in response to budget pressures.

Debt Service Fund. The debt service fund has a total fund balance of $114,948,831, all of which is reserved for the payment of debt service. The net increase in fund balance during the period in the debt service fund was $16,241,706, compared to a $6,822,160 increase in the previous year. Tax revenues were $5,452,666 higher than the previous year and State EDA revenue was $2,977,383 higher than the previous year. The increase in property tax revenue was also due to the increase in property valuations, as the interest and sinking tax rate remained the same for both fiscal years. State EDA revenue increased primarily due to an increase in the state homestead exemption for which the State provided funds to help minimize the impact of that increase to the District. Debt service expenditures were $504,263 lower than the previous year, as additional interest requirements on new issues resulted in less principal payments in the current year.

Capital Projects Fund. The fund balance in the capital projects fund increased $269,712,205 in the current fiscal year. The District sold one bond issue in the current fiscal year that generated $180,000,000 proceeds for various construction projects. $577,730,840 was spent during the current year on costs related to the construction of a new high school, multiple elementary schools, and other renovations and additions. Although these and other capital expenditures reduce available fund balances, they create new assets for the District that are reported in the Statement of Net Position.

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 2025). 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.

Capital Assets and Long-Term Financing Activity

Capital Assets. At June 30, 2026, the District's investment in capital assets (net of depreciation/amortization) for its governmental and business-type activities was $2,538,141,350 and 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 $474,084,366, or 22.97% above the prior year, and reflects a substantial amount of capital investment activity that occurred during the current fiscal year. The District continues to experience a steady increase in student enrollment and thus incurs significant costs for the construction of new educational facilities.

Capital Assets (Net of Depreciation/Amortization)
Governmental Activities

	2026	2025
Land	$ 124,979,166	$ 124,979,166
Construction in progress	1,094,630,275	790,972,229
Buildings and inprovements	1,245,029,085	1,090,863,124
Furniture and equipment	56,705,906	47,808,032
Vehicles	11,791,636	9,434,433
SBITA assets	5,005,282	-
Total	$ 2,538,141,350	$ 2,064,056,984

The SBITAs are intangible, right-to-use assets. The District does not own these assets but rather has the right to use them in operations, as specified in their respective contracts. When entering into a SBITA contract, if the obligation is not paid upfront, a liability is recognized which is included as part of the long-term financings' discussion below.

This fiscal year's major additons include:

Continuing construction costs on a new high school, paid for with proceeds of general obligation bonds	$ 207,208,307
Continuing construction costs on stadiums at two existing high schools, paid for with proceeds of general obligation bonds	82,807,027
Continuing construction costs on additions/renovations at two existing high schools, paid for with proceeds of general obligation bonds	50,537,675
Continuing construction costs on a new elementary school, paid for with proceeds of general obligation bonds	43,542,966
Continuing construction costs on a new middle school, paid for with proceeds of general obligation bonds	39,853,196
Continuing construction costs on a new early childhool center, paid for with proceeds of general obligation bonds	26,281,165
Continuing construction costs on an administration building remodel, paid for with proceeds of general obligation bonds	18,487,285
TOTAL	$ 468,717,621

At year-end, the District had total long-term financing liabilities of $3,131,439,107, composed of unlimited tax school building bonds, unlimited tax refunding bonds, and bond premiums. During the current year, long-term financing liabilities increased $727,762,860.

Long-Term Financings
Governmental Activities

	2026	2025
School building/refunding bonds	$ 2,937,845,000	$ 2,205,085,000
Premiums on bond issuances	193,594,107	198,591,247
Total	$ 3,131,439,107	$ 2,403,676,247

The school building bonds and refunding bonds constitute direct obligations of the District and are payable as to principal and interest from the proceeds of an annual ad valorem tax levied, without legal limit as to rate or amount, against all taxable property located within the District. 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 by the Texas Permanent School Fund Guarantee Program.

During the current year, the District issued $783,305,000 in school building bonds for various construction projects in the District. The District also issued $90,165,000 in refunding bonds to refinance previously outstanding school building bonds reported in governmental activities. This refinancing was done to take advantage of favorable interest rates. The result of the refunding is expected to be a decrease in future debt service payments of $4,619,577 and result in an economic gain of $3,597,545

Economic Factors and Next Year's Budget and Rates

The District is aware of the following items that will impact future finances and were considered in developing the 2026-2027 fiscal year budget:

- Although HB3 improved equity and lowered property tax rates, the funding formula still relies on student attendance. Northwest ISD remains a fast-growth district but current growth is occurring at a slower rate than in prior years. which will impact the District's finances moving forward. For 2025–2026, enrollment was 32,816 students compared to an enrollment of 32,098 for 2024-2025. with an ADA of 31,459.

- State funding for 2026–2027 is projected at $97,287,862 (25,78% of the total budget), compared to $96,171,889 actual (26.22%) for 2025–2026. At the end of the 2026 legislative session, House Bill 2 (HB2) passed providing additional funding for public schools, with most of the dollars earmarked for specific purposes such as teacher pay raises and special education. The basic allotment saw only a minimal increase of $55 per student. Because much of the new state funding came with restrictions, districts were left with very limited discretionary resources to address locally identified program needs and inflation that has exceeded 20% since 2019.

- Property values continue to rise. For the 2025 tax year, certified and under-review values increased by $1,348,801,168 (10.97%). For 2026–2027, the Board adopted a total tax rate of $1.0638 per $100 of assessed value, with the M&O rate decreasing from $0.6631 to $0.6428 and the debt service rate remaining at $0.4210.

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 2026-2027. The District's Maintenance & Operations ("M&O") tax rate for 2026-2027 was board approved a $0.6428 tax rate. The Interest & Sinking ("I&S") tax rate is $0.4210 to meet voter approved debt requirements. The total tax rate is $1.0638.

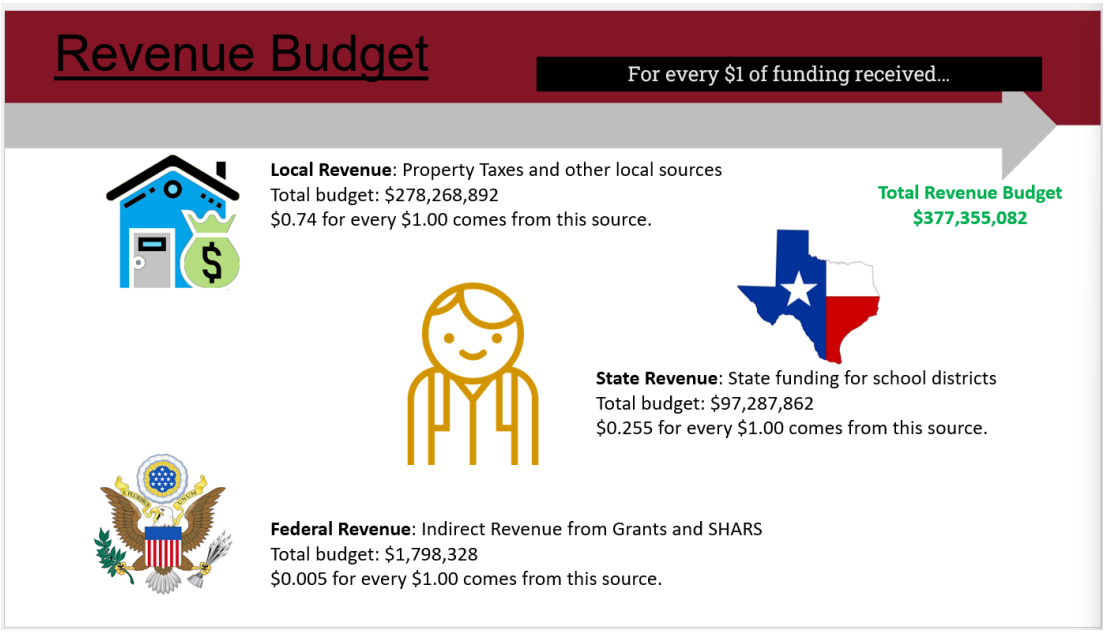
Other Local Sources
Revenue from other local sources include but are not limited to:

- Interest earnings
- Pre-K tuition
- 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.
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Federal Revenue
Federal revenue within the general fund is earned through the School Health and Related Services ("SHARS"). 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.

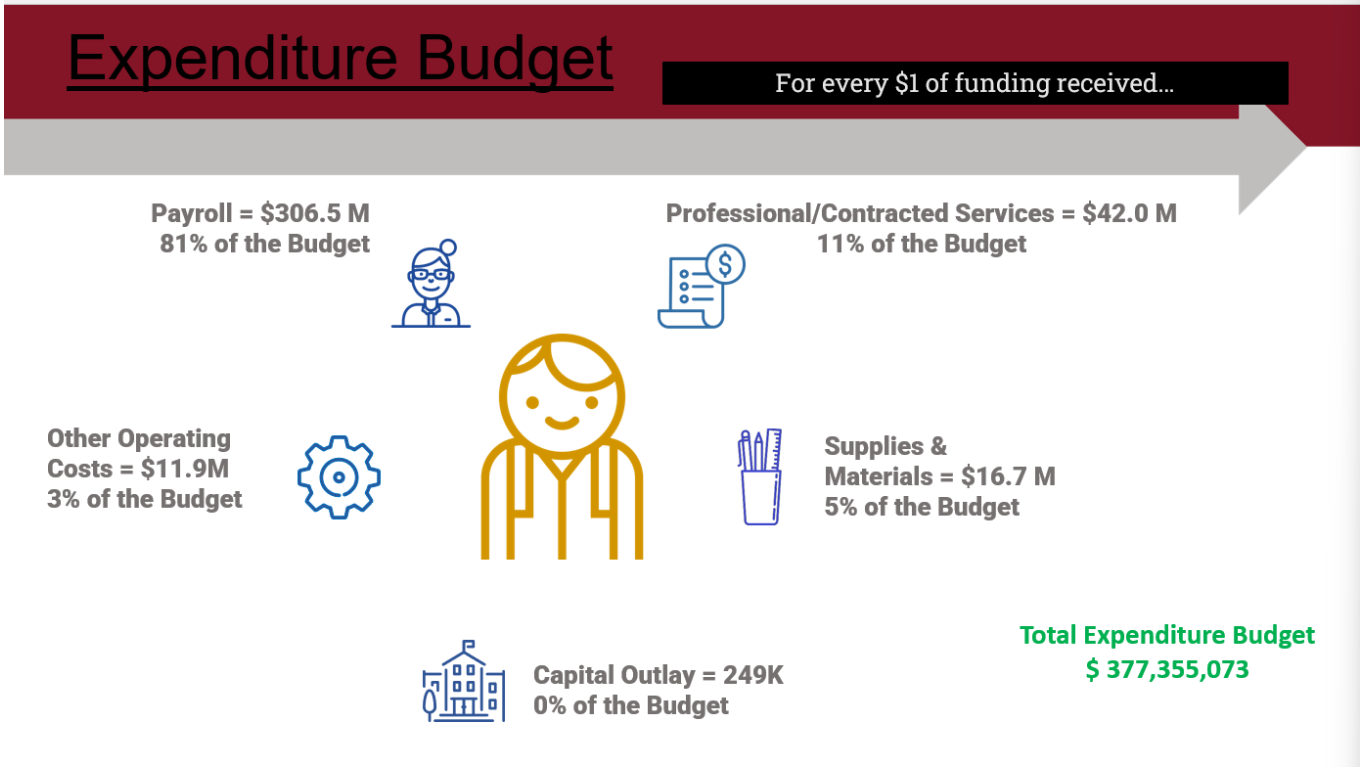
Fund 184 – Cocurricular/Extracurricular Activities

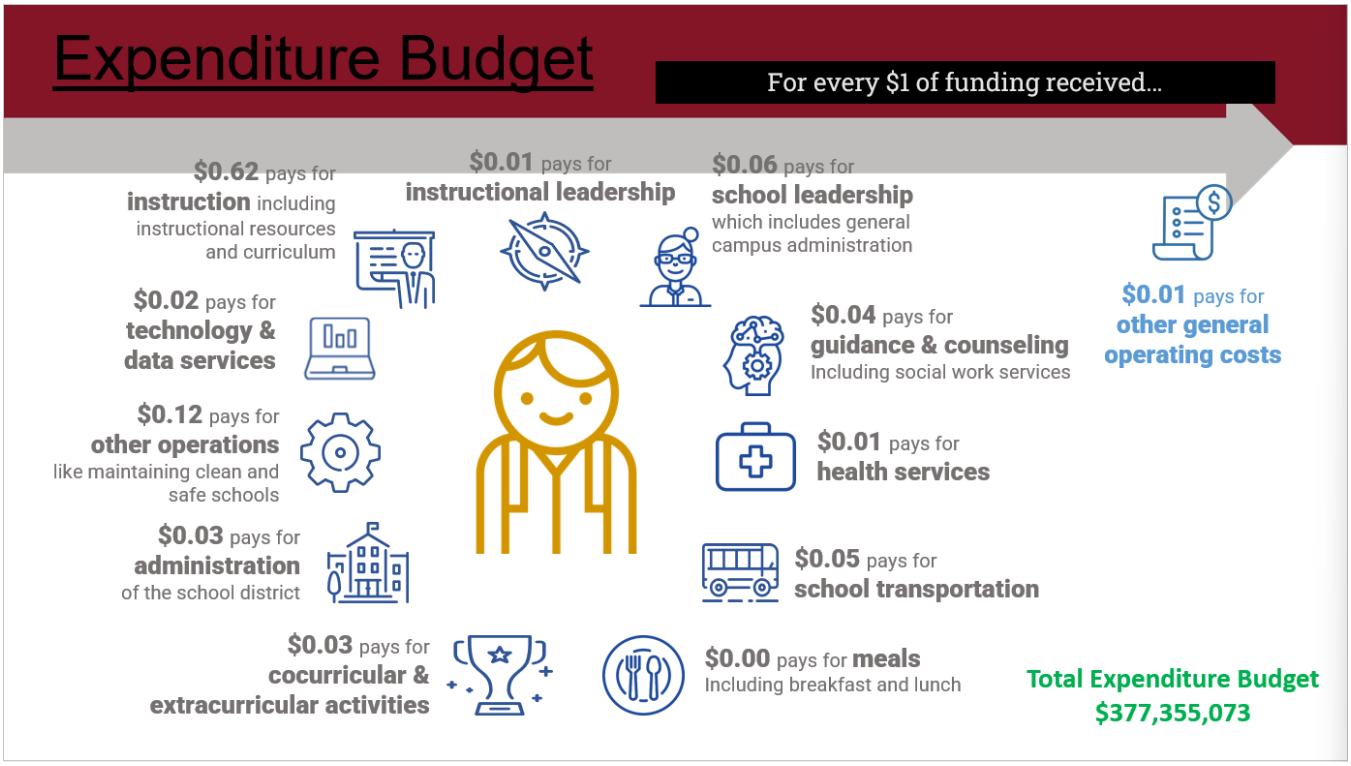
This locally defined fund code is used to account for expenditures/expenses for school-sponsored activities during or after the school day that are not essential to the delivery of services for Function 11 - Instructional, the Function code 20 series – Instructional and School Leadership or other Function 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 = $306.5 M
81% of the Budget
Professional/Contracted Services = $42.0 M
11% of the Budget
Other Operating
Costs = $11.9M
3% of the Budget
Supplies &
Materials = $16.7 M
5% of the Budget
Capital Outlay = 249K
0% of the Budget
Total Expenditure Budget
$ 377,355,073


Expenditure Budget
For every $1 of funding received...
$0.62 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
$0.04 pays for guidance & counseling Including social work services
$0.01 pays for other general operating costs
$0.12 pays for other operations like maintaining clean and safe schools
$0.01 pays for health services
$0.03 pays for administration of the school district
$0.05 pays for school transportation
$0.03 pays for cocurricular & extracurricular activities
$0.00 pays for meals Including breakfast and lunch
Total Expenditure Budget
$377,355,073

Budget Highlights

The following selection of highlights is presented as a brief overview of significant items and issues contained in the 2026-2027 budget. The Administration determined for the 2025-2026 budget 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.

The Northwest ISD stakeholders voted in May of 2026 to approve the Voter Approved Tax Rate Election ("VATRE") which increased District revenue by an additional $17,074,842 for the 2026-2027 school year. As promised to our stakeholders, the District has used the additional revenue to fund the commitments that were addressed during the election.

Budget Priorities:

1. Protect Student Programs (("VATRE") Commitments)
    a. Growth Budget (includes student teacher ratios)
    b. Special Populations – rapid growth
    c. Second Staffing Needs
2. Maximize Compensation for Staff (("VATRE") Commitments)
    a. Maximum raise for staff
    b. SPED Stipends
    c. Benefits
3. Protect Fund Balance (("VATRE") Commitment)

Budget priority 1. Protect Student Programs

Goal: Continue to offer all programs at the current funding and high standard of NISD; including curriculum, athletics, fine arts, and our high needs special population. This includes the student to teacher ratio in all these programs. Below are the factors considered when proposing the growth budget and the staffing guidelines showing the comparison between 2025-2026 to 2026-2027.

- Opening of three new NISD campuses.
- Planning for Davis High School
- Boundary line adjustments
- Student support needs based on growth
- Focus on hiring highly effective employees.
- Staffing presented in ("VATRE") presentations
- Reallocation of current staff due to enrollment.

STAFFING

Changes	FTE's
Elementary Ratio	4
Secondary Ratio	34
Fine Arts	14
Special Education	49
New Campuses	26

The above chart shows the impact of changing the staffing ratios and how it affects the number of teachers needed for the 2026-2027 school year. If ratios did not change, elementary would need to lose 17 FTEs. With ratio changes and opening of two campuses, NISD will need an additional 4 teachers. That is a net 21 teacher swing . A total of 127 teachers is needed due to growth. **Budget impact is $8,772,000**.

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PROTECTING STUDENT PROGRAMS SECOND STAFFING

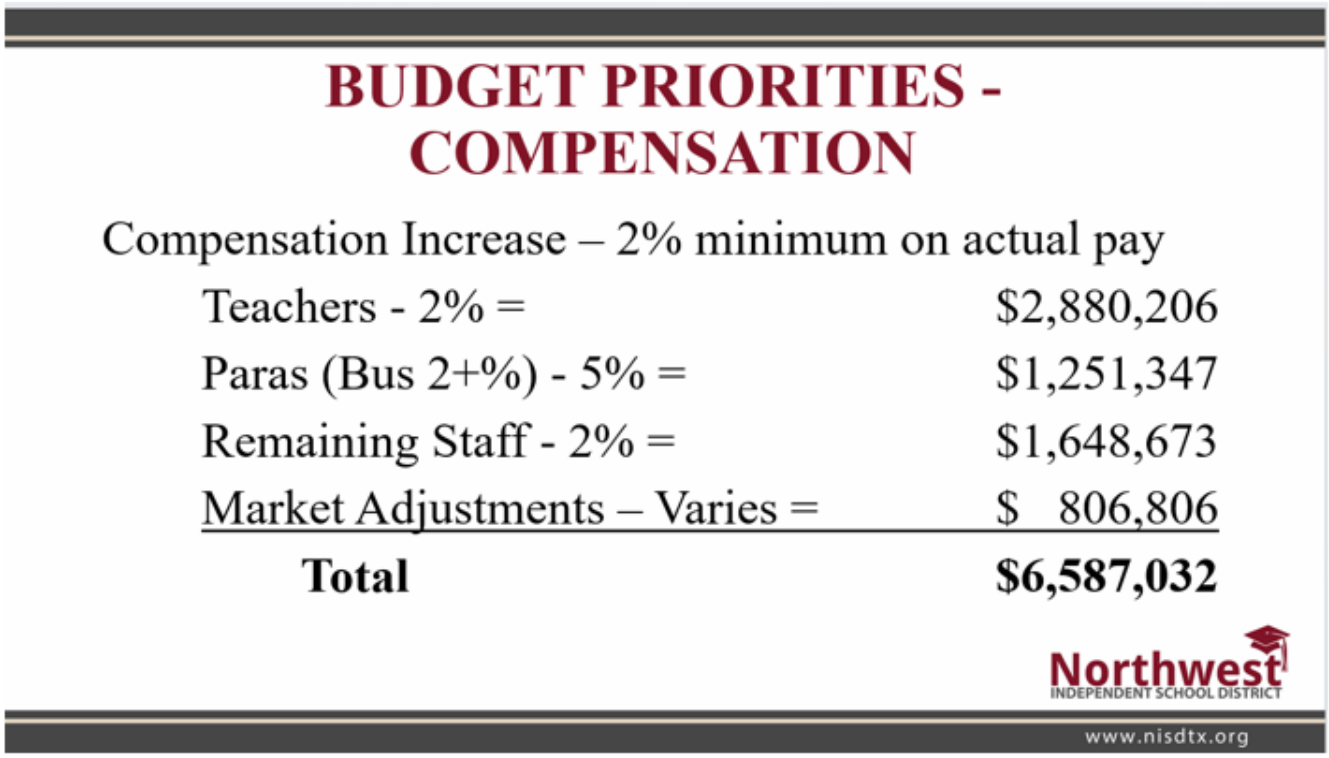
Second Staffing =	$ 2,509,002
Special Education	$ 1,275,486
Comp Ed/ Economic Disadvantaged	$ 196,013
Teacher Residency Program	$ 144,000
Emergent Bilingual	$ 156,000
CTE Teachers	$ 158,000
Support (All of the above)	$ 188,837
Operations	$ 390,666

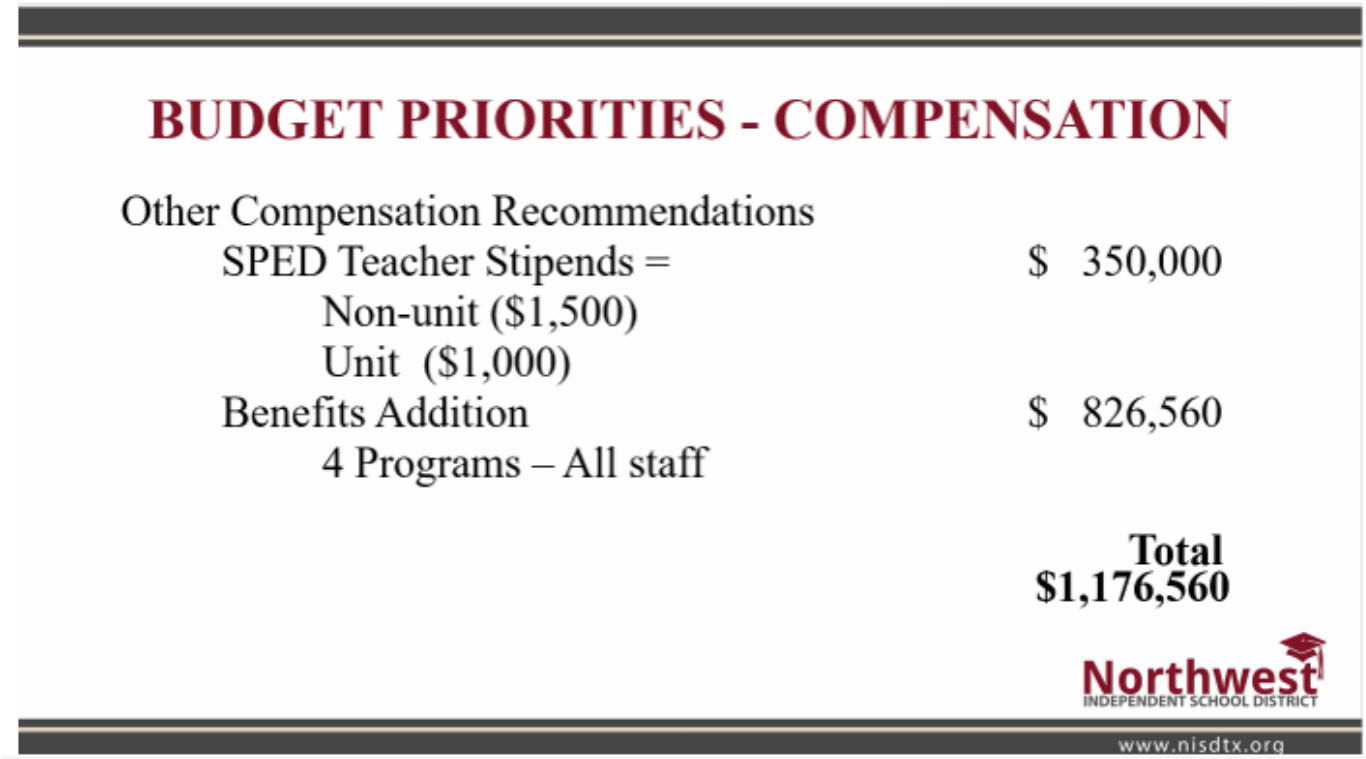
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Budget Priority 2: Maximize Compensation for all Staff.

- Raise – Provide the largest raise possible with budgetary contains.
- Beat Market Value for Paraprofessionals.
- Market Adjustments – Compare with other ISD's and remain competitive in the market
- Stipends for Special Education.
- Benefit Ideas – Look at ways we can improve benefits for staff yet remain within our budgetary constraints.





Property values for the 2026-2027 fiscal year increased by 3% resulting in a small gain from the prior year. The 89th Texas Legislature passed, and the voters approved a constitutional amendment increasing the general homestead exemption in property value by $40,000 for a total exemption of $140,000 from property taxes. A separate amendment for taxpayers who are age 65 and older/or disabled, an additional $50,000 in exemptions was approved. The new exemptions have decreased the overall taxable property value of the district. In addition, one of the three counties Northwest ISD lies within, Tarrant County, adopted a two year reappraisal plan. The effects of the reappraisal plan are predicted to negatively impact the District.

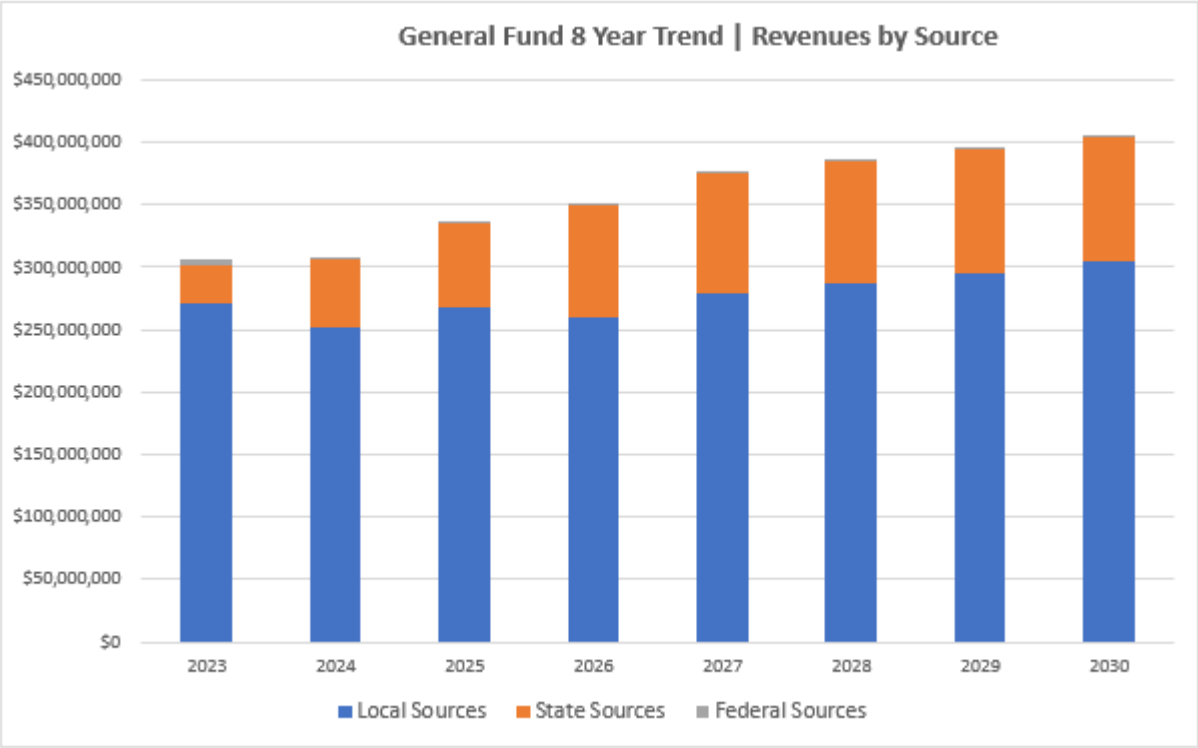
The District does not have a formal fund balance policy but strives to maintain 3 months of operating expense in fund balance. Future growth of the District as well as responsible use of District funds will help address any declines in fund balance and maintain the 3-month policy. Any fund balance surplus will be used in future years to help fund any deficits in the future. As deficits occur, the District will look at revenue and expenditures and adjust as necessary with smaller raises or less for supplies. The District does not intend to operate with deficit budgets.

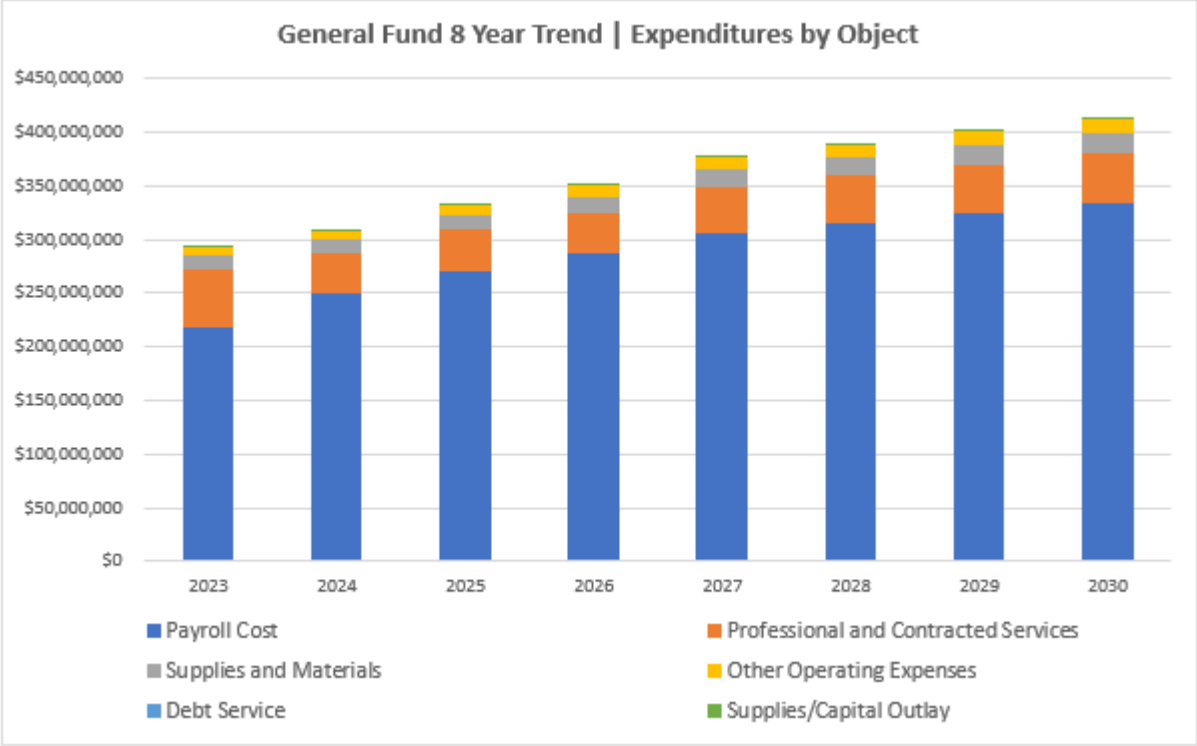
Forecast assumptions:

- Northwest ISD has historically been a fast growth district. Growth is expected just at a slower pace.
- Revenue projected conservatively at 3% for local sources and 1% for state resources.
- Federal revenue was projected the same as FY27.
- Increase in expenses due to opening new campuses each year will require additional staff and supplies.
- Non payroll expenditures were projected conservatively at 3% for the forecasted years.
- Salary increases typically range from 1%-4%. To be conservative, a 3% increase was projected each year.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE, GENERAL FUND
FOR YEAR ENDING JUNE 30,2023 THROUGH JUNE 30, 2030

	Audited Financial Reports			Adopted Budget		Financial Forecast		
Description	**22-23**	**23-24**	**24-25**	**25-26**	**26-27**	**27-28**	**28-29**	**29-30**
REVENUES:								
Local and Intermediate Sources	271,777,551	252,412,512	267,901,617	260,073,384	278,268,892	286,616,959	295,215,468	304,071,932
State Program Revenues	29,778,814	53,477,874	67,274,776	89,760,893	97,287,862	98,260,741	99,243,348	100,235,782
Federal Program Revenues	4,365,430	902,108	1,907,384	1,768,826	1,798,328	2,000,000	2,000,000	2,000,000
Total Revenues	305,921,794	306,792,494	337,083,777	351,603,103	377,355,082	386,877,699	396,458,816	406,307,713
EXPENDITURES:								
Payroll Costs	217,182,487	249,351,119	270,342,613	286,337,718	306,231,948	315,418,906	324,881,474	334,627,918
Contracted Service	55,309,254	37,110,158	39,496,020	37,954,718	42,324,846	43,594,591	44,902,429	46,249,502
Supplies and Materials	12,845,287	13,082,191	13,031,147	15,444,116	16,780,323	17,283,733	17,802,245	18,336,312
Miscellaneous	7,779,795	8,430,603	8,456,492	11,612,699	11,769,306	12,122,385	12,486,057	12,860,638
Debt Service			-	-	-	-	-	-
Capital Outlay	1,500,694	969,741	890,483	253,852	248,650	256,110	263,793	271,707
Total Expenditures	294,617,519	308,943,812	332,216,755	351,603,103	377,355,073	388,675,725	400,335,997	412,346,077
Excess (Deficiency) of Revenues Over (Under)	11,304,275	(2,151,318)	4,867,022		9	(1,798,026)	(3,877,181)	(6,038,364)
Expenditures								
Other Resources	6,440	1,269,028	158,980					
Other (Uses)		(10,599)	(252,712)					
Excess (Deficiency) of Revenues and Other Resources Over Expenditures and Other Uses	11,310,718	(892,888)	4,773,290		9	(1,798,026)	(3,877,181)	(6,038,364)
Fund Balance - September 1, (Beginning)	99.904.957	111,215,675	110,322,787	115,096,077	115,096,077	115,096,086	113,298,060	109,420,878
Increase (Decrease) in Fund Balance	11.310.718	(892,888)	4,773,290	-,	9	(1,798,026)	(3,877,181)	(6,038,364)
Fund Balance - June 30 (Ending)	111.215.675	110,322,787	115,096,077	115,096,077	115,096,086	113,298,060	109,420,878	103,382,515





Source: Frontline

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.

214 Title IV, Part A Funds granted for student support and academic enrichment.

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.

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 local revenue has been projected for each year forecasted, state and federal revenues have been projected at a 2% increase. 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. The Texas Department of Agriculture, which administers the National School Lunch and Breakfast programs in Texas, allows districts to keep up to 6 months average expenditures in fund balance. Expenditures are monitored by the Food Service Department to stay in line with the state guidelines.

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.

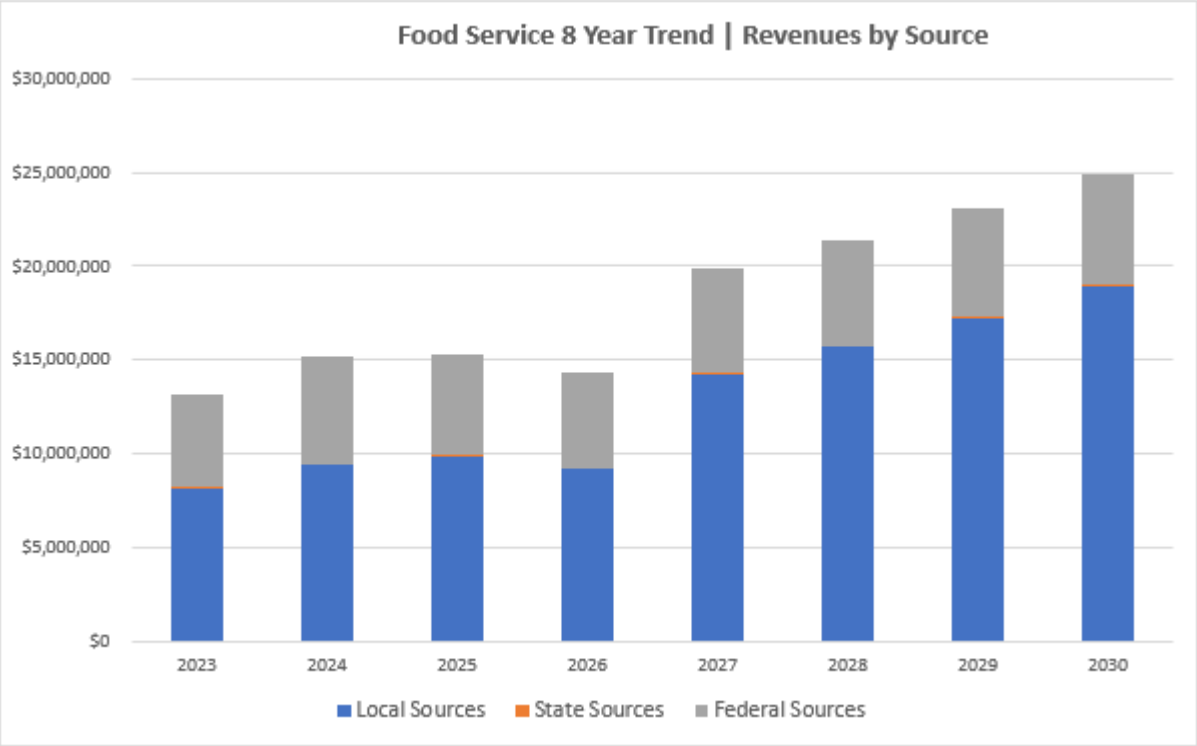
The Board of Trustees must adopt the budget for General Operating, Food Service, and Debt Service funds only. The budget for the special revenue funds located on page 96 are included for informational purposes only.

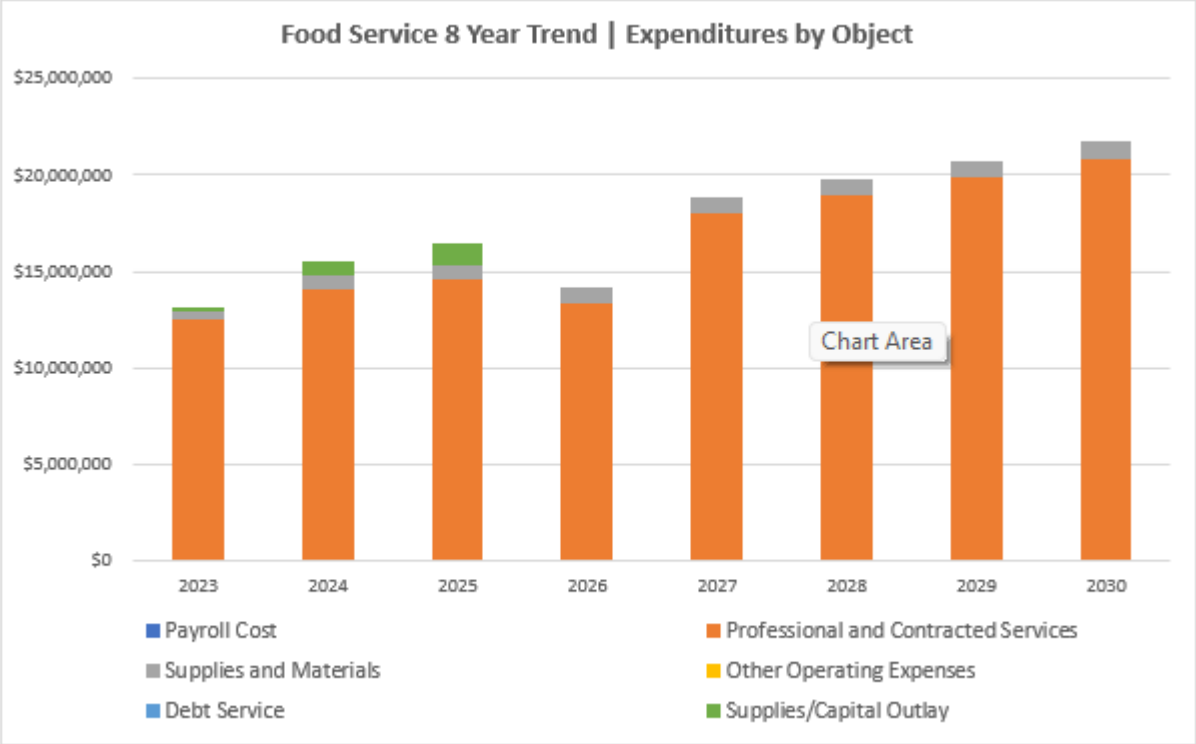
Assumptions for forecasted data:

- Funds included in this group are not guaranteed year to year. The District is considered fast growth, so we have estimated a 3% increase in local revenue for the forecasted years FY28, FY29 and FY30 and state and federal revenue to remain the same. 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 3% to accommodate staff raises and additional staff needed for growth.
- Non payroll costs were reduced by 5% due to not knowing what revenue we will get from State and Federal sources.
- If revenue received from the State or Federal Government does not meet forecast and salaries increase, costs associated with federal and state funds will be decreased to balance the budget. Forecasted years are just an estimate but the District will make adjustments to balance the budget.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE, FOOD SERVICE
FOR THE YEAR ENDING JUNE 30, 2023 THROUGH JUNE 30, 2030

	Audited Financial Reports			Adopted Budget		Financial Forecast		
Description	**22-23**	**23-24**	**24-25**	**25-26**	**26-27**	**27-28**	**28-29**	**28-29,**
REVENUES:								
Local and Intermediate Sources	8,155,402	9,389,081	9,869,456	9,182,876	14,245,744	15,670,318	17,237,350	18,961,085
State Program Revenues	46,996	46,806	53,472	39,960	42,692	43,546	44,417	45,305
Federal Program Revenues	4,961,476	5,727,902	5,389,829	5,070,397	5,589,533	5,701,324	5,815,350	5,931,657
Total Revenues	13,163,874	15,163,789	15,312,757	14,293,233	19,877,969	21,415,188	28,097,117	24,938,047
EXPENDITURES:								
Payroll Costs	56,329	68,947	76,782	72,159	73,639	75,848	78,123	80,467
Contracted Service	12,445,215	13,987,557	14,569,104	13,295,736	17,946,770	18,844,109	19,786,314	20,775,630
Supplies and Materials	487,571	747,566	731,966	803,559	809,140	849,597	875,085	918,839
Miscellaneous	2,921	1,097						
Debt Service								
Capital Outlay	128,064	739,974	1,068,918					
Total Expenditures	13,120,100	15,545,142	16,446,770	14,171,454	18,829,548	19,769,553	20,739,522	21,774,935
80,467								
Excess (Deficiency) of Revenues Over (Under)	43,773	(381,352)	(1,134,013)	121,779	1,048,421	1,645,635	2,357,595	3,163,112
Expenditures								
Other Resources		10,599	2712					
Other (Uses)								
Excess (Deficiency) of Revenues and Other Resources								
Over Expenditures and Other Uses	43,773	(370,752)	(1,131,302)	121,779	1,048,421	1,645,635	2,357,594	3,163,112
Fund Balance – September 1, (Beginning)	4,279,531	4,323,305	3,952,551	2,821,250	2,943,030	3,991,450	5,637,086	7,994,680
Increase (Decrease) in Fund Balance	43,773	(370,752)	(1,131,302)	121,779	1,048,421	1,645,635	2,357,594	3,163,112
Fund Balance – June 30 (Ending)	4,323,305	3,952,551	2,821,250	2,943,030	3,991,450	5,637,086	7,994,680	11,157,792





Source Frontline

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE, SPECIAL REVENUE FUNDS
FOR THE YEAR ENDING JUNE 30,2023 THROUGH JUNE 30, 2030

	Audited Financial Reports			Adopted Budget		Financial Forecast		
Description	**22-23**	**23-24**	**24-25**	**25-26**	**26-27**	**27-28**	**28-29**	**29-30**
REVENUES:								
Local and Intermediate Sources	12,372,049	13,723,856	14,359,222	9,241,866	14,245,744	14,673,116	15,113,310	15,566,709
State Program Revenues	2,401,569	3,381,748	6,953,429	1,418,862	1,605,836	1,605,836	1,605,836	1,605,836
Federal Program Revenues	21,489,925	12,358,694	12,457,390	14,792,427	15,462,214	15,462,214	15,462,214	15,462,214
Total Revenues	36,263,542	29,464,298	33,770,040	25,453,155	31,313,794	31,741,166	32,181,360	32,634,759
EXPENDITURES:								
Payroll Costs	12,584,248	5,780,227	7,171,042	9,186,339	9,270,991	9,549,189	9,835,665	10,130,735
Contracted Service	15,016,360	15,571,159	14,931,452	13,978,860	18,670,511	17,738,735	16,853,479	16,012,418
Supplies and Materials	4,622,202	2,506,958	2,137,760	1,896,929	1,851,537	1,758,975	1,671,042	1,587,505
Miscellaneous	3,636,399	4,933,275	2,411,276	3,674,410	5,322,905	5,056,770	4,803,942	4,563,755
Debt Service		-		-	-	-	-	-
Capital Outlay	227,771	954,318	6,603,774	213,023	527	501	476	452
Total Expenditures	36,086,981	29,745,936	33,255,305	28,949,561	35,116,471	34,104,171	33,164,603	32,294,864
Excess (Deficiency) of Revenues Over (Under) Expenditures	176,562	(281,638)	514,735	(3,496,406)	(3,802,677)	(2,363,005)	(983,243)	339,896
Other Resources	-	10,599	2712					
Other (Uses)								
Excess (Deficiency) of Revenues and Other Resources Over Expenditures and Other Uses	176,561	(271,039)	517,447	(3,496,406)	(3,802,677)	(2,363,005)	(983,243)	339,896
Fund Balance – September 1, (Beginning)	7,796,036	7,972,597	7,701,558	8,219,007	4,722,602	919,924	(1,443,080)	(2,426,323)
Increase (Decrease) in Fund Balance	176,561	(271,039)	517,447	(3,496,406)	(3,802,677)	(2,363,005)	(983,243)	339,896
Fund Balance – June 30 (Ending)	7,972,597	7,701,558	8,219,007	4,722,602	919,924	(1,443,080)	(2,426,323)	(2,086,428)

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

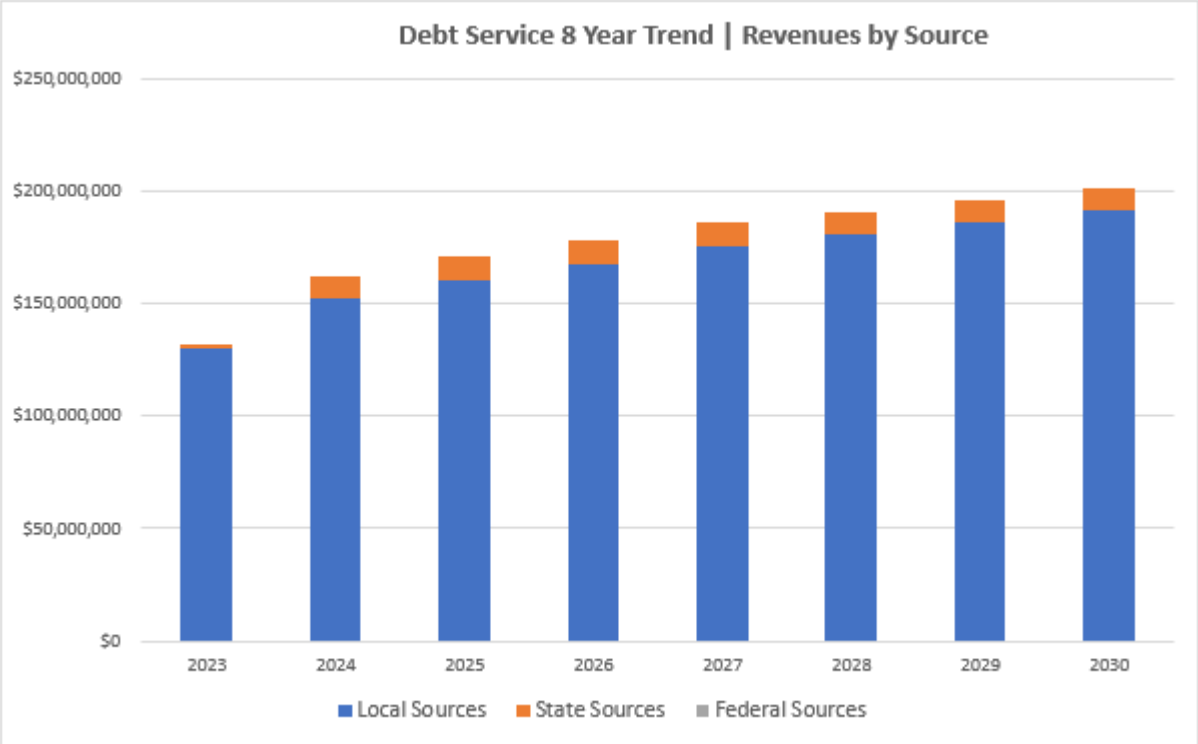
This governmental fund budgeted at $186,152,565 is established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. This is a budgeted fund, and a separate bank account is maintained for this fund. In May of 2023, the District's voters authorized $1.995 billion bonds. As of October 2026, the district has sold $1,600,0000 of the 1.995 billion.

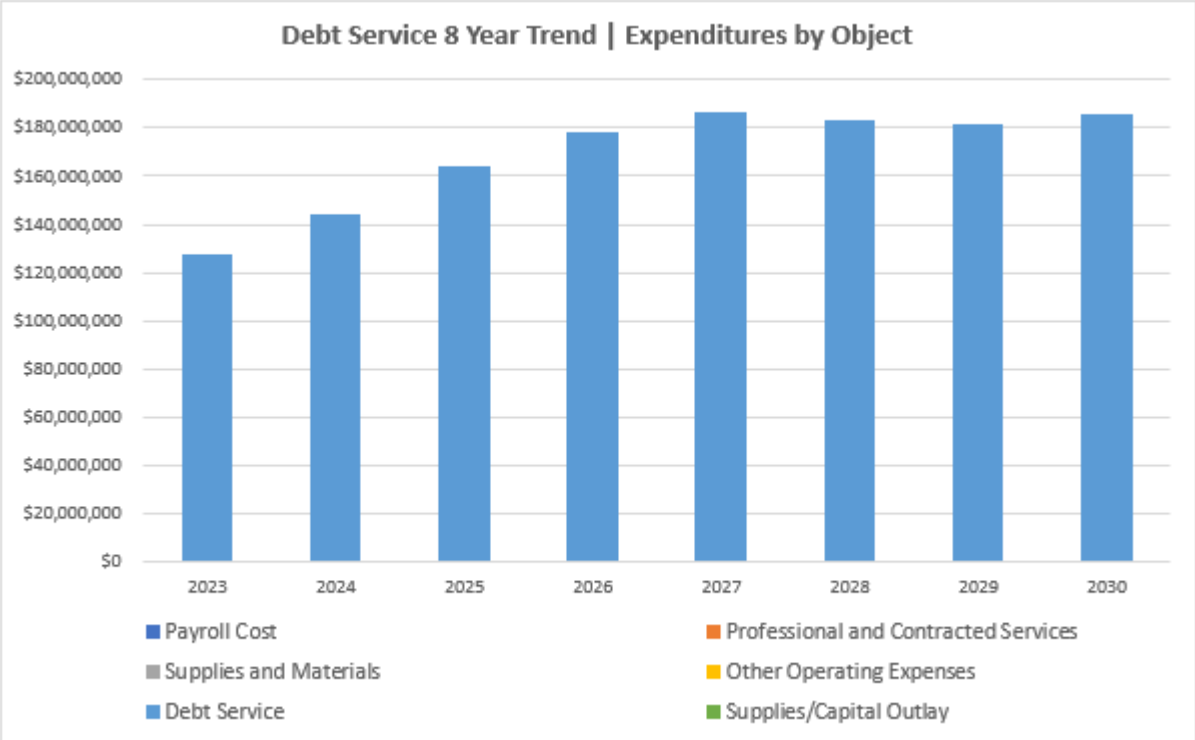
Debt Guideline
Although the Board of Trustees do not have an adopted, formal debt policy, the conservatively projected annual growth in assessed valuation should allow the District to meet its guideline of maintaining a maximum Interest & Sinking tax rate of no more than $0.45000 per $100 of assessed property valuation. The 2026-2027 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.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE, DEBT SERVICE
FOR THE YEAR ENDING JUNE 30, 2023 THROUGH JUNE 30, 2030

	Audited Financial Reports			Adopted Budget		Financial Forecast		
Description	**22-23**	**23-24**	**24-25**	**25-26**	**26-27**	**27-28**	**28-29**	**29-30**
REVENUES:								
Local and Intermediate Sources	$130,237,614	$152,259,242	$160,248,707	$167,739,736	$175,432,330	$180,695,300	$186,116,159	$191.699.644
State Program Revenues	1,609,761	9,606,321	10,912,397	10,720,235	10,720,235	10,000,000	10,000,000	10,000,000
Federal Program Revenues								
Total Revenues	$131,847,375	$161,865,563	$171,161,104	$178,459,971	$186,152,565	$190,695,300	$196,116,159	$201,699,644
EXPENDITURES:								
Payroll Costs								
Contracted Service								
Supplies and Materials								
Miscellaneous								
Debt Service	127,666,424	144,477,763	164,439,141	178,459,971	186,152,565	183,355,842	181,771,092	185,905,092
Capital Outlay								
Total Expenditures	$127,666,424	$144,477,763	$164,439,141	$178,459,971	$186,152,565	$183,355,842	$181,771,092	$185,905,092
Excess (Deficiency) of Revenues Over (Under)	4,180,951	17,387,800	6,721,963			7,339,458	14,345,067	15,794,552
Expenditures								
Other Resources			100,197					
Other (Uses)								
Excess (Deficiency) of Revenues and Other Resources								
Over Expenditures and Other Uses	4,180,951	17,387,800	6,822,160			7,339,458	14,345,066	15,794,552
Fund Balance – September 1, (Beginning)	70,316,214	74,497,165	91,884,965	98,707,125	98,707,125	98,707,125	106,046,583	120,391,648
Increase (Decrease) in Fund Balance	4,180,951	17,387,800	6,822,160			7,339,458	14,345,066	15,794,552
Fund Balance – June 30 (Ending)	$74,497,165	$91,884,965	$98,707,125	$98,707,125	$98,707,125	$106,046,583	$120,391,648	$136,186,200





Source: Frontline

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:	2026	2025	2024	2023
Debt Limit	$ 3,900,415,515	$ 3,765,535,398	$ 3,535,992,368	$ 3,042,087,713
Total net debt applicable to limit	2,822,896,169	2,106,377,875	1,718,339,764	1,355,203,169
Legal debt margin	$ 1,077,519,346	$ 1,659,157,523	$ 1,817,652,604	$ 1,686,884,544
Total net debt applicable to the limit as a percentage of debt limit	72.37%	55.94%	48.60%	44.55%

Current Fiscal Year: Legal debt margin calculation		
Taxable Assessed Value - October 2025 (100% of Actual)		$ 39,004,155,152
Debt limit (10% of assessed value)		3,900,415,515
Total bonded debt	$ 2,937,845,000	
Less restricted for retirement of bonded debt	114,948,831	
Total amount of debt applicable to debt limit		2,822,896,169
Legal debt margin		$ 1,077,519,346

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, 2026, the District reported a liability of $104,398,706 for its proportionate share of the TRS's net pension 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 pensin liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's Proportionate share of the collective Net OPEB Liability	$ 104,398,706
State's proportionate share that is associated with the District	$ 134,103,434
Total	$ 238,502,140

The Net OPEB Liability was measured as of August 31, 2024, and rolled forward to August 31, 2025, and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as ofthat 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, 2024, thru August 31, 2025.

On August 31, 2025, the employer's proportion of the collective Net OPEB Liability was 0. 1658498312%, an increase of 7.84% from its proportionate share of 0.1537889778% at August 31 2023.

Changes in Assumptions and Benefits Since the Prior Actuarial Valuation.

The 2025 Texas Legislature passed HB2, which modified the future compensation structure for active employees covered by the System. As a result, a new salary increase assumption was adopted for determining the Net Pension Liability as of the August 31, 2025 measurement date. All other actuarial assumptions and methods remain the same as used in the determination of the prior year's Net Pension Liability. There have been no changes to the benefit provisions since the prior valuation.

The amount of pension expense recognized by Northwest Independent School District in the reporting period was $12,478,909.

For the year ended June 30, 2026 Northwest Independent School District recognized pension expense of $12,449,710 and revenue of $12,449,710 for support by the State.

On June 30, 2026, 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 Outflows of Resources
Differences between expected and actual economic experience	$ 6,263,636.00	$ 365,802.00
Changes in actuarial assumptions	$ 10,012,065.00	$ -
Difference between projected and actual investment earnings	$ 13,136,014.00	$ 17,880,457.00
Changes in proportion and difference between the employers contributions and the proportionate share of contributions	$ 11,482,323.00	$ 224,231.00
Contributions paid to TRS subsequent to the measurement date	$ 8,582,175.00	$ -
Total	$ 49,476,213.00	$ 18,470,490.00

Northwest Independent School District recognized $8,582,175 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, 2026. 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:

Measurement ended August 31:	Pension Expense Amount
2026	$ 14,101,925
2027	4,414,367
2028	78,935
2029	1,928,601
2030	1,899,720
Thereafter	-

NORTHWEST INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2026

Taxing Jurisdiction	2025/26 Taxable Assessed Value	2025/26 Tax Rate	Total Tax Supported Debt As Of 6/30/2026	Estimated % Applicable	District's Overlapping Tax Supported Debt As Of 6/30/2026
Northwest ISD	$ 38,575,813,920	$ 1.08410	$ 2,937,845,000	100.00%	$ 2,937,845,000
Alpha Ranch WC&ID	148,390,514	1.00000	18,880,000	100.00%	18,880,000
Argyle, Town of	1,723,031,646	0.34310	6,635,000	9.20%	610,420
Belmont FWSD #1	1,539,431,204	0.53000	89,860,000	22.66%	20,362,276
Brookfield WC&ID	268,149,834	0.87750	31,455,000	100.00%	31,455,000
Canyon Falls WC&ID # 2	618,931,705	0.61000	40,160,000	84.23%	33,826,768
Denton Co	207,109,512,490	0.18590	748,685,000	12.88%	96,430,628
Far North Fort Worth MUD #1	423,455,284	1.00000	55,880,000	100.00%	55,880,000
Flower Mound, Town of	16,951,757,506	0.38730	173,115,000	0.51%	882,887
Fort Worth, City of	129,078,713,971	0.67000	969,685,000	16.58%	160,773,773
Grapevine, City of	14,137,118,208	0.23720	167,580,000	0.02%	33,516
Haslet, City of	2,184,314,609	0.31550	20,622,000	100.00%	20,622,000
Justin, City of	1,298,730,687	0.67000	38,165,000	100.00%	38,165,000
Keller, City of	8,598,075,976	0.28700	62,325,000	0.55%	342,788
New Fairview MUD #1	156,657,189	1.00000	16,820,000	100.00%	16,820,000
New Fairview, City of	318,334,794	0.31000	5,625,000	70.15%	3,945,938
Newark, City of	112,553,821	0.60000	10,797,000	100.00%	10,797,000
Northlake MMD #1	1,091,622,019	0.70500	105,755,000	100.00%	105,755,000
Northlake, Town of	3,763,504,342	0.29500	130,830,000	86.20%	112,775,460
Rhome, City of	277,001,497	0.77370	19,555,000	97.84%	19,132,612
Roanoke, City of	4,104,793,788	0.32620	106,950,000	100.00%	106,950,000
Rolling V Ranch WC&ID No. 1	118,585,720	1.00000	12,445,000	100.00%	12,445,000
Rolling V Ranch WC&ID No. 2	85,552,386	1.00000	6,495,000	100.00%	6,495,000
Southlake, City of	12,542,389,983	0.29500	73,885,000	3.36%	2,482,536
Tarrant Co	298,706,022,035	0.18620	314,050,000	5.77%	18,120,685
Tarrant Co College Dist	326,653,911,760	0.11230	547,535,000	5.77%	31,592,770
Tarrant Co Hosp Dist	298,547,261,465	0.16500	429,425,000	5.77%	24,777,823
Tarrant Regional Water District	122,224,867,352	0.02650	98,710,000	6.92%	6,830,732
Tradition MUD #1	67,600,626	1.00000	13,745,000	100.00%	13,745,000
Tradition MUD #2B	345,484,854	1.00000	50,460,000	100.00%	50,460,000
Tradition MUD #2C	55,434,176	1.20000	17,625,000	78.41%	13,819,763
Trophy Club MUD # 1	4,124,092,548	0.06810	3,875,000	84.39%	3,270,113
Trophy Club, Town of	3,448,288,252	0.41290	26,245,000	99.09%	26,006,171
Westlake, Town of	2,937,391,663	0.18500	49,929,000	17.11%	8,542,852
Wise Co	15,027,991,353	0.21750	8,310,000	16.95%	1,408,545
Total Direct and Overlapping Tax Supported Debt					$ 4,012,283,052
Ratio of Direct and Overlapping Tax Supported Debt to Taxable Assessed Valuation					10.40%
Per Capita Direct and Overlapping Tax Supported Debt					$ 32,404

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

Year Ending	Series 2026 Unlimited Tax School Building Bonds	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
12/31/27	31,950,000	-	3,330,000	-	505,000	1,810,000
12/31/28	7,820,000	-	4,130,000	-	3,525,000	2,260,000
12/31/29	130,000	110,000	4,320,000	-	10,240,000	2,830,000
12/31/30	1,095,000	305,000	5,625,000	3,825,000	14,280,000	2,360,000
12/31/31	3,145,000	1,160,000	8,055,000	3,860,000	14,235,000	2,965,000
12/31/32	9,345,000	2,755,000	9,440,000	4,710,000	6,495,000	3,405,000
12/31/33	13,040,000	3,140,000	10,715,000	7,015,000	8,180,000	4,480,000
12/31/34	11,645,000	3,555,000	12,215,000	7,460,000	9,300,000	4,445,000
12/31/35	6,480,000	3,985,000	13,745,000	9,205,000	10,085,000	7,350,000
12/31/36	5,515,000	4,375,000	13,975,000	13,295,000	10,110,000	8,050,000
12/31/37	-	4,790,000	15,770,000	14,110,000	11,310,000	8,095,000
12/31/38	-	5,225,000	16,200,000	15,135,000	11,955,000	8,470,000
12/31/39	-	5,680,000	16,615,000	16,210,000	21,665,000	8,830,000
12/31/40	-	6,150,000	16,885,000	17,345,000	34,865,000	8,920,000
12/31/41	-	6,780,000	17,225,000	18,540,000	36,700,000	9,285,000
12/31/42	-	6,010,000	17,690,000	19,710,000	38,620,000	9,670,000
12/31/43	-	6,505,000	18,180,000	20,825,000	23,210,000	10,070,000
12/31/44	-	5,705,000	18,695,000	22,060,000	24,650,000	10,470,000
12/31/45	-	6,000,000	19,245,000	31,090,000	29,590,000	14,935,000
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	-	105,120,000	-	-	-	-
12/31/53	-	111,360,000	-	-	-	-
12/31/54-2055	-	242,790,000	-	-	-	-
TOTAL	**90,165,000**	**783,305,000**	**491,545,000**	**369,950,000**	**429,900,000**	**153,395,000**

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

Series 2020 and 2020A Unlimited Tax School Bldg & Refunding Bonds	Series 2019 Unlimited Tax School Building & Refunding Bonds	Series 2018 Unlimited Tax Building Refunding Bonds	Series 2017 Unlimited Tax School Bldg. & Refunding Bonds	Series 2016 and 2016A Unlimited Tax Refunding Bonds	Series 2014 Unlimited Tax School Building & Bonds	Total Principal
10,625,000		1,290,000	2,600,000		1,080,000	53,190,000
29,140,000	2,885,000	1,300,000	2,780,000	-	150,000	53,990,000
23,735,000	3,050,000	1,415,000	3,145,000	1,000,000	240,000	50,215,000
21,850,000	6,870,000	1,335,000	1,165,000	1,000,000	600,000	60,310,000
25,545,000	7,320,000	1,890,000	1,255,000	1,000,000	710,000	71,140,000
23,790,000	3,725,000	1,365,000	1,790,000	3,000,000	-	69,820,000
11,400,000	4,475,000	1,395,000	1,560,000	3,000,000	-	68,400,000
13,035,000	9,840,000	3,015,000	2,130,000	3,000,000	-	79,640,000
13,825,000	10,310,000	4,460,000	2,495,000	2,000,000	-	83,940,000
12,725,000	12,085,000	2,100,000	2,365,000	-	-	84,595,000
15,240,000	13,550,000	2,390,000	1,500,000	-	-	86,755,000
19,655,000	17,060,000	12,320,000	4,600,000	-	-	110,620,000
29,375,000	13,790,000	12,955,000	-	-	-	125,120,000
8,475,000	1,270,000	13,585,000	-	-	-	107,495,000
8,945,000	2,135,000	17,610,000	-	-	-	117,220,000
9,435,000	2,300,000	-	-	-	-	103,435,000
9,945,000	2,505,000	-	-	-	-	91,240,000
11,455,000	16,805,000	-	-	-	-	109,840,000
33,735,000	35,090,000	-	-	-	-	169,685,000
-	-	-	-	-	-	138,380,000
-	-	-	-	-	-	145,460,000
-	-	-	-	-	-	153,575,000
-	-	-	-	-	-	151,660,000
-	-	-	-	-	-	93,650,000
-	-	-	-	-	-	99,200,000
-	-	-	-	-	-	105,120,000
-	-	-	-	-	-	111,360,000
-	-	-	-	-	-	242,790,000
331,930,000	**165,065,000**	**78,425,000**	**27,385,000**	**14,000,000**	**2,780,000**	**2,937,845,000**

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

Date	Principal	Interest	Total
12/31/25			
12/31/26	$3,450,000	$64,793,468.93	$68,243,468.93
12/31/27	51,335,000	131,723,417.02	183,058,417.02
12/31/28	52,855,000	129,130,967.02	181,985,967.02
12/31/29	53,910,000	126,470,592.02	180,380,592.02
12/31/30	60,725,000	123,707,850.22	184,432,850.22
12/31/31	67,070,000	121,032,900.12	188,102,900.12
12/31/32	70,540,000	118,446,334.99	188,986,334.99
12/31/33	74,260,000	115,493,790.68	189,753,790.68
12/31/34	78,460,000	112,222,769.93	190,682,769.93
12/31/35	82,650,000	108,891,266.74	191,541,266.74
12/31/36	86,975,000	105,422,233.04	192,397,233.04
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	21,089,775.00	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	**$2,937,845,000**	**$2,315,158,732.54**	**$ 5,253,003,732.54**

Par Amounts of Selected Issues

Series 2026	Unlimited Tax School Building Bonds	90,165,000
Series 2025	Unlimited Tax School Building Bonds	783,305,000
Series 2024	Unlimited Tax School Building Bonds	491,545,000
Series 2023	Unlimited Tax School Building Bonds	369,950,000
Series 2022	Unlimited Tax School Building Bonds	429,900,000
Series 2021	Unlimited Tax School Building Bonds	153,395,000
Series 2020	Unlimited Tax School Building and Refunding Bonds	331,930,000
Series 2019	Unlimited Tax Refunding Bonds	165,065,000
Series 2018	Unlimited Tax School Building and Refunding Bonds	78,425,000
Series 2017	Unlimited Tax School Building and Refunding Bonds	27,385,000
Series 2016	Unlimited Tax School Building Bonds	14,000,000
Series 2014	Unlimited Tax School Building Bonds	2,780,000

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 33,249 students in grades pre-kindergarten through twelfth, a projected increase of 54 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.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE, CAPITAL PROJECTS
FOR THE YEAR ENDING JUNE 30, 2023, THROUGH JUNE 30, 2030

	Audited Financial Reports			Adopted Budget		Financial Forecast		
Description	**22-23**	**23-24**	**24-25**	**25-26**	**26-27**	**27-28**	**28-29**	**29-30**
REVENUES:								
Local and Intermediate Sources	$12,637,433	$23,841,845	$30,000,000	$10,000,000	$25,000,000	$25,500,000	$26,010,000	$10,000,000
State Program Revenues								
Federal Program Revenues								
Total Revenues	$656,311	$23,841,845	$35,580,811	$10,000,000	$25,000,000	$25,500,000	$26,010,000	$10,000,000
EXPENDITURES:								
Payroll Costs	$942,220	$1,009,261	$1,340,442	$2,310,527	$3,378,529	$3,479,885	$3,584,281	$3,691,810
Contracted Service		41,763	1,466,813	16,559,229	18,452,259	12,000,000	12,000,000	10,000,000
Supplies and Materials	18,440,204	22,772,598	17,867,120	191,674,505	110,098,106	15,299,231	13,116,218	9,617,380
Miscellaneous		144,398	57,136	98,888				
Debt Service	2,818,748	1,166,707	3,972,448					
Capital Outlay	87,302,300	327,078,349	293,156,215	406,700,395	406,453,462	350,000,000	250,000,000	100,000,000
Total Expenditures	$109,503,473	$352,213,075	$317,860,174	$617,341,544	$538,382,355	$380,779,1164	$278,700,499	$123,309,190
Excess (Deficiency) of Revenues Over (Under)	-108,847,163	-339,575,642	-294,018,329	-607,341,544	-513,382,355	$(355,279,116)	-295,687,204	-113,309,190
Expenditures								
Other Resources	$402,818,748	$152,021,303	$591,472,448	$804,678,004	$500,000,000	$200,000,000		
Other (Uses)								
Excess (Deficiency) of Revenues and Other Resources								
Over Expenditures and Other Uses	$293,971,585	-$187,554,339	$297,454,119	197,345,460	$(13,382,353)	$(155,29,116)	$(252,690,499)	$(113,309,190)
Fund Balance – September 1, (Beginning)	$83,859,437	$ 77,831,023	$190,276,684	$429,414,456	$626,759,916	$613,377,562	$458,098,446	$205,407,948
Increase (Decrease) in Fund Balance	$293,971,585	-$187,554,339	$297,454,119	197,345,460	$(13,382,353)	$(155,279,116)	$(252,690,499)	$(113,309,190)
Fund Balance – June 30 (Ending)	$377,831,023	$190,276,684	$487,730,805	$413,311,901	$681,437,961	$458,098,446	$205,407,948	$92,098,758

Assumptions:
(1) Local revenue was projected to increase by 1% for interest rates.
(2) Payments will remain high as we just passed a bond and are building multiple sites.
(3) Forecasted a 3% pay raise for projected years.
(4) Bond sales are unknown at the moment but the District will see a decrease in fund balance as projects are completed.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS – MASTER PROJECT LIST
2021 BOND AUTHORIZATION
BUDGET FOR THE YEAR ENDING JUNE 30, 2027

							Project Schedule					
	Project Type		Project Number		Original Budget		21 22	22 23	23 24	24 25	25 26	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	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	X	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			

							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	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	X	X
New Devices for Teachers Replacements & Growth	New		21D-TDV		$12,950,000		X	X	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.

At the end of 2026-2027 school year, this bond is expected to be completed. Any savings will be used for site purchases, technology or any other items as voted on by the School Board.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS – MASTER PROJECT LIST
2023 BOND AUTHORIZATION
BUDGET FOR THE YEAR ENDING JUNE 30, 2027

					Project Schedule				
	Project Type	Project Number	Original Budget		25 26	26 27	27 28	28 29	29 30
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						X
EARLY CHILDHOOD CENTER #4	New	23A-204	$41,517,250.00						
PERRIN ES	New	23A-126	$54,827,000.00						
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						
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	X			
DISTRIBUTION CENTER MODIFICATIONS	Renovation	23A-954	$5,596,000						
WEST OPERATIONS FACILITY MODIFICATIONS	Renovation	23A-952	$2,619,000						
STEELE RENOVATIONS; FINE ARTS ITEMS	Renovation	23A-010	$9,673,000				X		
LLC PARKING LOT ADDITION	Addition	23A-012	$1,102,000						
Equity/Evolving Needs									
CTE IMPROVEMENTS AND RENOVATIONS	Improvements	23A-999	$904,000						
TILE CORRIDOR WALLS AT EXISTING CAMPUSES	Improvements	23A-999	$983,000			X			
HVAC WORK GRADE D&F	Improvements	23A-999	$51,454,000						
ROOF REPLACEMENT	Improvements	23A-999	$22,384,000			X			
REPLACE AGED FLOORING – CARPET 2023 & 2024	Improvements	23A-999	$5,673,000						

							Project Schedule				
	Project	Project	Original		25	26	27	28	29
	Type	Number	Budget		26	27	28	29	30
CONVERT TO LED LIGHTING – PHASE 1	Improvements	23A-999	$4,712,000						
INDOOR AIR QUALITY ENHANCEMENT – GRADE D&F	Improvements	23A-999	$5,004,000						
BUILDING AUTOMATION GRADE D&F	Improvements	23A-999	$20,027,000						
BUILDING ENVELOPE GRADE D&F	Improvements	23A-999	$345,000						
WATER CONSUMPTION/IRRIGATION UPGRADES GRADE F	Improvements	23A-999	$942,000						
TRANSFORMER REPLACEMENT	Improvements	23A-999	$1,725,000						
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		X	
NON-STADIUM TURF REPLACEMENT	Improvements	23A-999	$3,279,000		X				
NON-STADIUM ATHLETIC LIGHTING	Improvements	23A-999	$5,203,000						
MIDDLE SCHOOL FCS KITCHEN UPGRADES	Improvements	23A-999	$191,000		X				
FURNITURE – ES CLASSROOM 2023-2024	Improvements	23A-999	$16,464,000						
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 FORF EXISTING CLASSROOMS	Safety & Security	23A-WIN	$1,780,000		X	X	X		
FIRE ALARM REPLACEMENT	Safety & Security	23A-FIRE	$77,000		X	X	X		
BDA (BI-DIRECTIONAL ANTENNA) RADIO SYSTEM	Safety & Security	23A-BDA	$6,324,000		X	X	X		
SAFETY AND SECURITY HARDWARE ITEMS	Safety & Security	23A-HARD	$1,948,000		X	X	X		
PHYSICAL SECURITY	Safety & Security	23A-S&S	$10,111,000		X	X	X		
PROPOSITION A TOTALS			**$1,672,193,000**						

							Project Schedule				
	Project Type		Project Number		Original Budget		25 26	26 27	27 28	28 29	29 30
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						
STADIUM LED LIGHT REPLACEMENT (NISD & TEXAN FIELD)	Improvements		23B-LED		$1,778,000						
NISD STADIUM ROOF REPLACEMENT	Improvements		23B-ROOF		$1,744,000						
STADIUM BUILDING AUTOMATION	Improvements		23B-BLDG		$323,000						
STADIUM TRANSFORMER REPLACEMENT	Improvements		23B-TRAN		$133,000						
STADIUM FIRE ALARM REPLACEMENT	Improvements		23B-FIRE		$195,000						
PROPOSITION B TOTALS					**$301,555,000**						
PROPOSITION C											
NEW TECHNOLOGY DEVICES	Technology		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. Growth in the District has been projected to be slower. Several of the construction of new campuses have been pushed out a year or two. The District is expected to sell the remaining $395,500,000 sometime this year which will have a positive impact on fund balance.

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 "Health Service" function 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 Heal Related Service (SHARS) program.

Other Local Sources: Other local sources include interest earnings, rental of district facilities, tuition based prekindergarten, 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**

- 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**

- Per Capita and Foundation School Program
- State program Revenues distributed by TEA
- State Revenues Other than TEA
- Shared Services Arrangements

5900 **Federal Program Revenue**

- Other than State or Federal Agencies
- Federal Revenues Distributed by TEA
- Federal Revenues Distributed other than TEA
- Directly from the Federal Government

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.

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ALL FUNDS
BUDGET FOR THE YEAR ENDING JUNE 30, 2027

Description	General Fund	Debt Service Funds	Capital Project Funds	Food Service Funds	Special Revenue Funds	Total Funds
REVENUES:						
Local and Intermediate Sources	$278,268,892	$175,432,330	$25,000,000	$14,245,744	$14,245,744	$492,946,966
State Program Revenues	97,287,862	10,720,235		42,692	$1,605,836	109,613,933
Federal Program Revenues	1,798,328			5,589,533	$15,462,214	17,260,542
Total Revenues	$377,355,082	$186,152,565	$25,000,000	$19,877,969	$31,313,794	$619,821,441
EXPENDITURES:						
Payroll Costs	$306,231,948		$3,378,529	$73,639	$9,270,991	$318,881,468
Contracted Service	42,324,846		18,452,259	17,946,770	18,670,511	79,447,616
Supplies and Materials	16,780,323		110,098,106	809,140	1,851,537	128,729,966
Miscellaneous	11,769,306				5,322,905	17,092,211
Debt Service		186,152,565				186,152,565
Capital Outlay	248,650		406,453,462		527	406,702,639
Total Expenditures	$377,355,073	$186,152,565	$538,382,355	$18,829,548	$35,116,471	$1,137,006,465
Excess of Revenues Over / Under Expenditures	$9	$0	$(513,382,355)	$1,048,421	$(3,802,677)	$(517,185,024)
Other Resources			500,000,000			500,000,000
Other (Uses)						
Excess (Deficiency) of Revenues and Other Resources Over Expenditures and Other Uses	$9	$0	$(13,382,353)	$1,048,421	$(3,802,677)	$(17,185,024)
Fund Balance - September 1, (Beginning)	$144,602,329	$114,948,831	$699,126,661	$2,453,007	$8,093,383	$966,771,204
Increase (Decrease) in Fund Balance	$9	$0	$(13,382,353)	$1,048,421	$(3,802,677)	$(17,185,021)
Fund Balance - June 30 (Ending)	$144,602,338	$114,948,831	$685,744,308	$3,501,428	$4,290,706	$949,586,183

NORTHWEST INDEPENDENT SCHOOL DISTRICT
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ALL FUNDS
BUDGET FOR THE YEARS ENDING JUNE 30, 2030

	Audited Financial Reports			Adopted Budget		Financial Forecast		
Description	**22-23**	**23-24**	**24-25**	**25-26**	**26-27**	**27-28**	**28-29**	**24-25**
REVENUES:								
Local and Intermediate Sources	427,024,646	442,237,455	478,090,357	447,054,986	492,946,966	507,485,375	522,454,936	537,868,484
State Program Revenues	33,790,144	66,465,943	85,140,602	101,899,990	109,613,933	109,866,577	110,849,184	111,841,618
Federal Program Revenues	25,855,354	13,260,802	14,364,774	16,561,253	17,260,542	17,462,214	17,462,214	17,462,214
Total Revenues	486,670,143	521,964,200	577,595,733	565,516,229	619,821,441	634,814,166	650,766,334	650,42,116
EXPENDITURES:								
Payroll Costs	230,775,994	256,471,788	279,327,733	297,834,584	318,881,468	328,447,981	338,301,420	348,450,463
Contracted Service	70,367,377	54,148,130	74,946,374	68,492,807	79,447,616	73,333,327	73,755,908	72,261,920
Supplies and Materials	40,240,087	33,456,269	24,317,505	209,015,549	128,729,966	34,341,939	32,589,504	29,541,196
Miscellaneous	11,560,592	13,421,014	10,983,977	15,383,997	17,092,211	17,179,155	17,289,998	17,424,393
Debt Service	128,833,131	148,450,211	166,874,708	178,459,971	186,152,565	183,355,842	181,771,092	185,905,092
Capital Outlay	328,806,814	295,080,274	470,810,206	407,167,270	4069,702,639	350,256,610	250,264,268	100,272,158
						-		
Total Expenditures	810,583,999	801,027,681	1,027,260,504	1,176,354,178	1,137,006,464	986,914,854	893,972,191	753,855,222
Excess of Revenues over Expenditures	(323,913,857)	(279,063,486)	(449,664,771)	(610,837,949)	(517,185,023)	(352,100,689)	(243,205,856)	(103,213,106)
Other Resources	152,027,743	592,752,075	403,714,040	804,687,004	500,000,000	200,000,000		
Other (Uses)		(10,599)	(252,712)					
Fund Balance (Beginning)	555,848,230	383,962,119	697,661,314	651,457,872	845,285,719	828,100,697	676,000,009	432,794,151
Increase/Decrease in Fund Balance	(171,886,111)	313,699,194	(46,203,442)	193,849,055	(17,185,022)	(152,100,689)	(243,205,857)	(103,213,106)
Fund Balance (Ending)	383,962,119	697,661,314	651,457,872	845,285,719	828,100,697	676,000,009	432,794,151	329,581,045

*Decreases in fund balance are primarily due to spending of Capital Projects. This is expected as projects are completed, the fund balance should be decreased.

Fund Balance

Northwest Independent School District
Financial Statements Notes
FYE June 30, 2026

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, 2026 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, 2026 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.

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. Fund balance may be used as a tool to maintain stability for a short period of time. However, any significant decrease in unassigned fund balance with no plan for restoration could result in the need for short-term borrowing.

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

General Fund
Fund balance is a measure of the District's financial position at a given point in time. It is used to pay bills when the District isn't bringing in revenue. The school year starts in August, but we receive most of our revenue between December and February when property taxes are collected. Therefore, it is important the District maintains a healthy fund balance to keep up with regular operating expenditures during the first half of the school year. Just like a savings account, fund balance can only be spent once and then it is gone. It is merely a tool that allows the District to balance the budget for a short period of time while identifying a more sustainable solution. The General Fund has unassigned fund balance of $143,040,481 at June 30, 2026. Prepaid items of $1,336,539 and inventories of $225,309 are considered nonspendable fund balance.

Other Major Funds
The Debt Service Fund is used to pay principal and interest on debt incurred through the sale of bonds. All proceeds from bonds are used to finance long-term improvements to existing facilities as well as build new schools. Northwest ISD has issued all but $180,000,000 from the 2023 bond program. The Debt Service Fund has restricted funds of $114,948,831 at June 30, 2026, consisting primarily of property tax collections that are restricted for debt service payments on bonded debt.

The Capital Projects Fund has restricted funds of $696,059,807 at June 30, 2026, consisting primarily of unspent bond funds and $3,077,854 set aside for capital replacements. Projects are prioritized based on safety, asset condition, operational need, remaining bond authorization, available capital fund balance, and the ability to defer the project without increasing long-term cost or operational risk.

Other Funds
The fund balance of $5,568,251 of the Campus Activity Fund, $26,242 in the Northwest ISD Education Foundation, and $45,883 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 $2,453,007 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**