

McKinney ISD

21-22 Budget Narrative

The 21-22 Budget is for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022. The budget consists of three separate funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other special purposes funds.

The Food Service Fund is used to provide nutritional meals for students, and includes federal funding to provide free hot meals for eligible children.

The Debt Services Fund is a restricted fund used to pay principal and interest on long-term general obligation debts for construction, major renovations, and maintenance of facilities.

Revenues -- Total budgeted revenues increased by \$675,559 from the previous year due to formula funding changes and student population changes.

This amount does not include any potential funds from ESSER I, II, or III. ESSER I was fully supplanted by State. Estimated amounts for ESSER II and III are \$6,000,000 and \$16,500,000, respectively with a spend requirement completion by end of 23-24.

Expenditures – Total budgeted expenses increased by \$5,083,578 from the previous year due to compensation increases (2% mid-point for exempt and 2% for non-exempt), staffing changes and formula funding changes associated with HB3.

Financial Status – The Budget is projected to be a deficit budget. End of Year Fund Balance level is scheduled to be approximately \$98,269,364 excluding any estimated ESSER I, II or III funds. Including estimated ESSER funds, End of Year Fund Balance level is scheduled to be approximately \$105,769,364.