

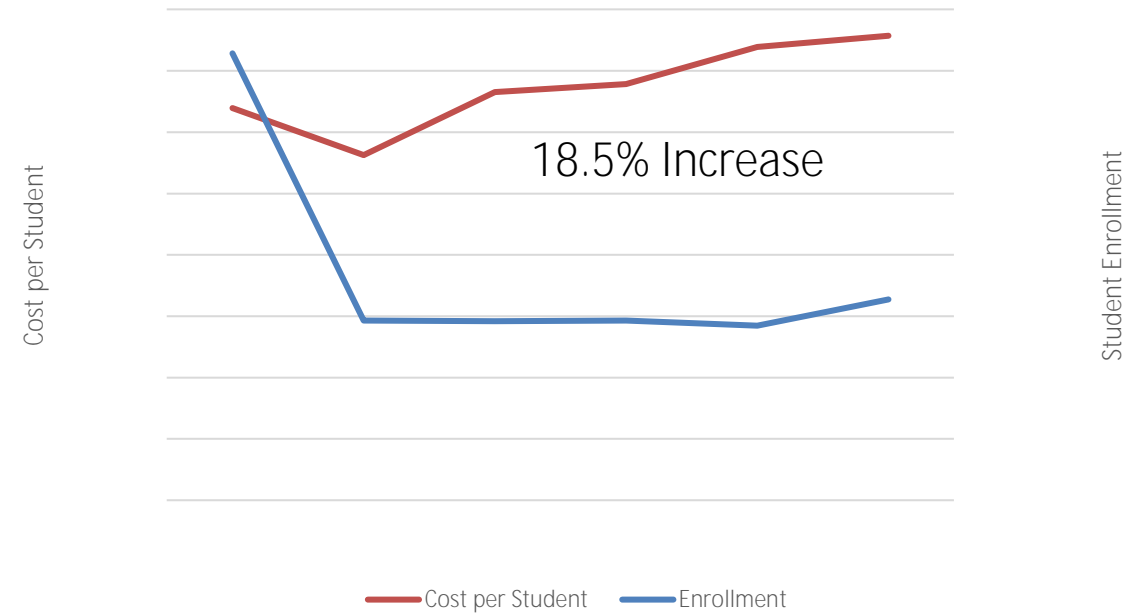
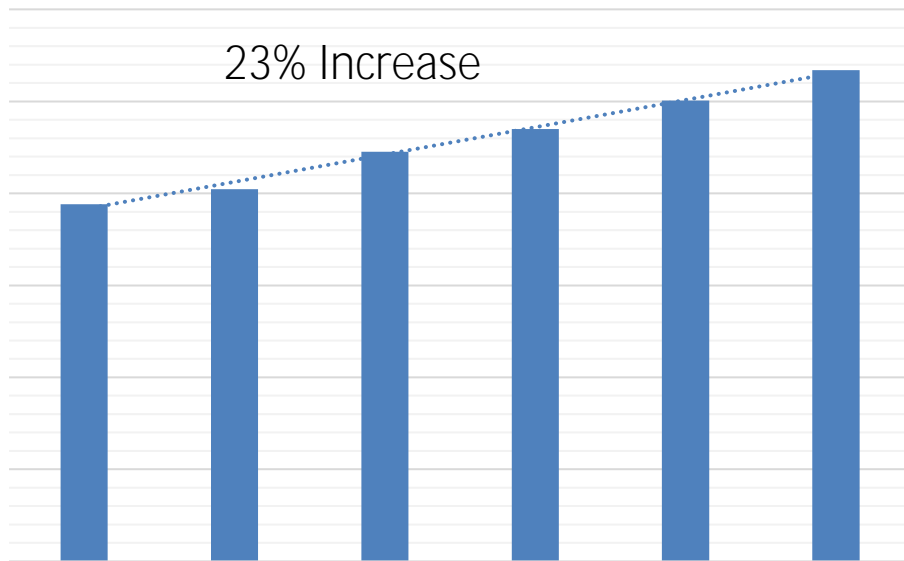
McKinney ISD

Budget Update
5-13-2024

General Notes on Education Finance

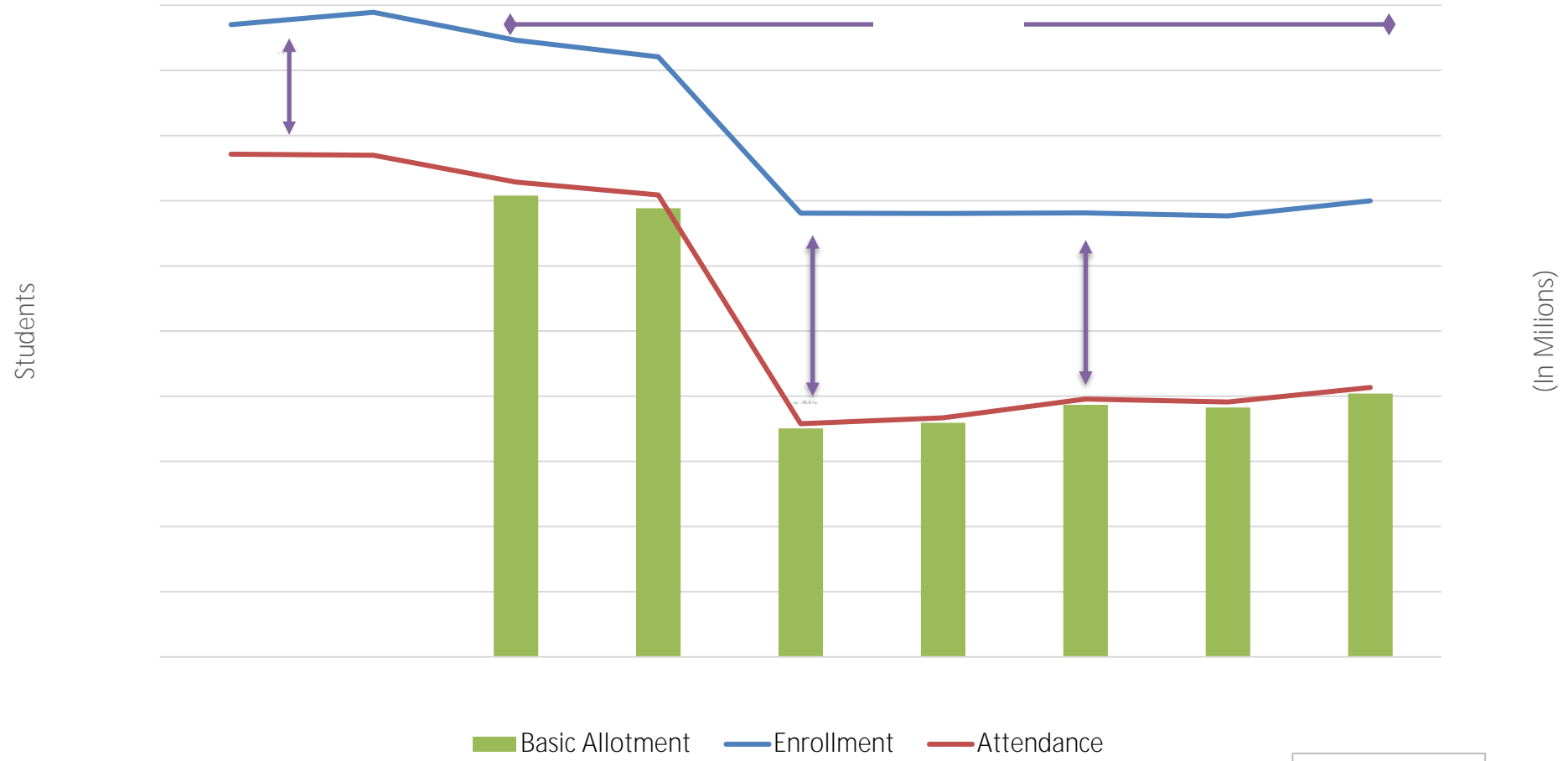
- Outdated state funding formula (same basic allotment per student since 2019).
- Record inflation, increasing the cost of everything from fuel, to insurance, utilities, and supplies. Inflation has increased by approximately 20%.
- Underfunded mandates from the state including special education programs, safety measures, and technology for our students.
- Expiration of federal Elementary and Secondary School Emergency Relief (ESSER) funds.
- Funding based on average daily attendance rather than enrollment. Texas is one of only six states that funds public schools based on daily student attendance rather than enrollment.

Inflationary Impacts



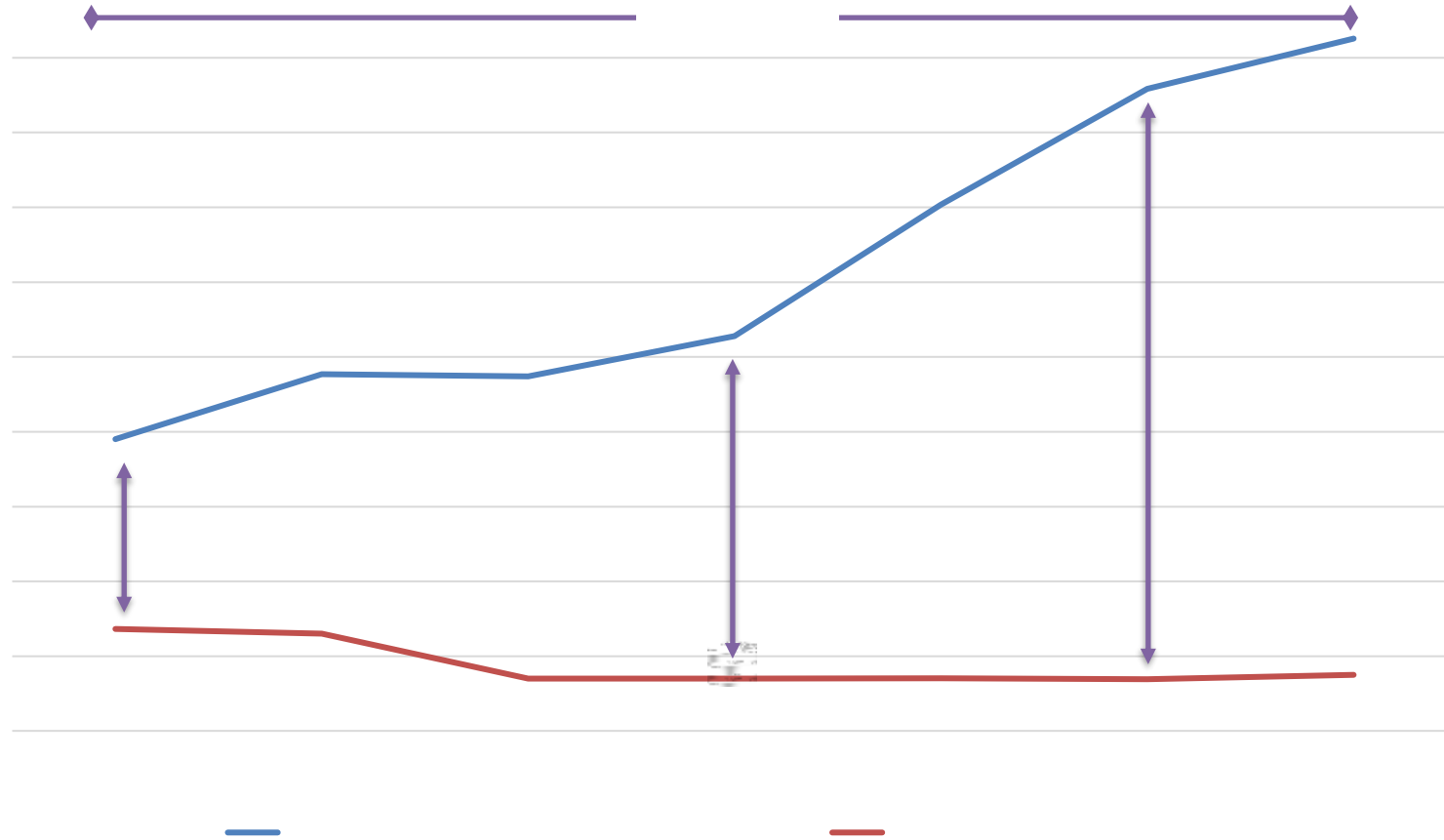
2020-2023 Actuals
2024 & 2025 Projected





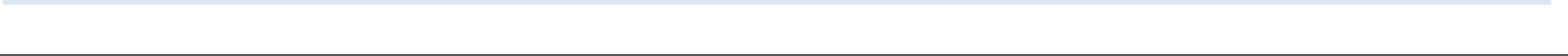
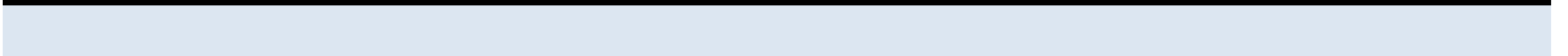
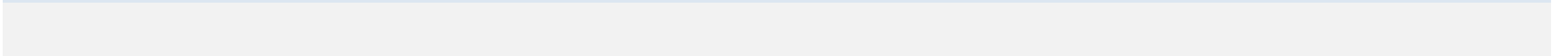
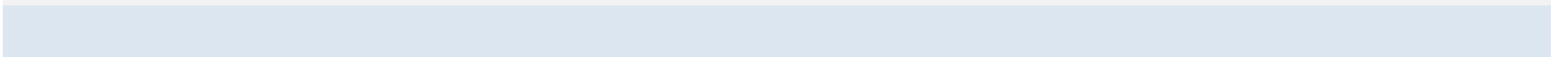
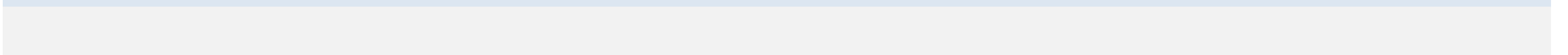
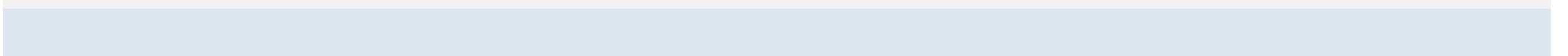
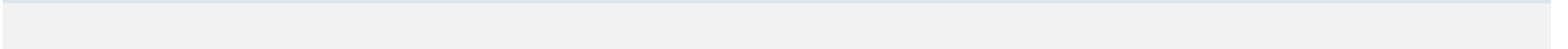
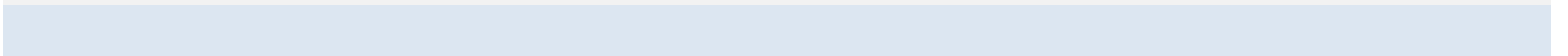
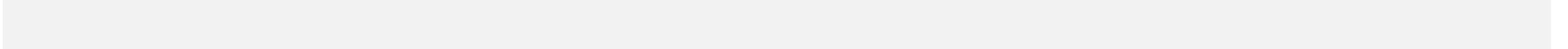
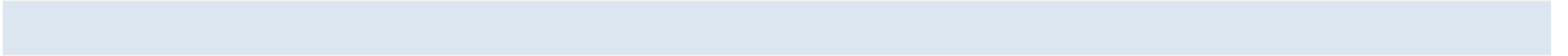
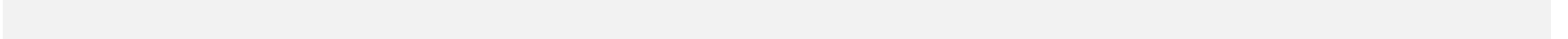
Basic Allotment Enrollment Attendance

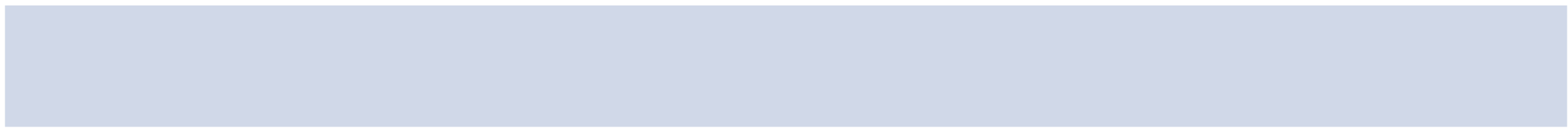
2025 Projected



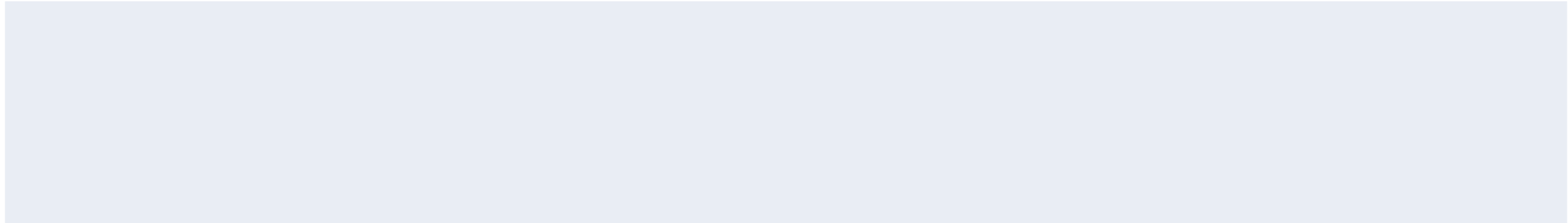
2024-2025 Budget Impacts



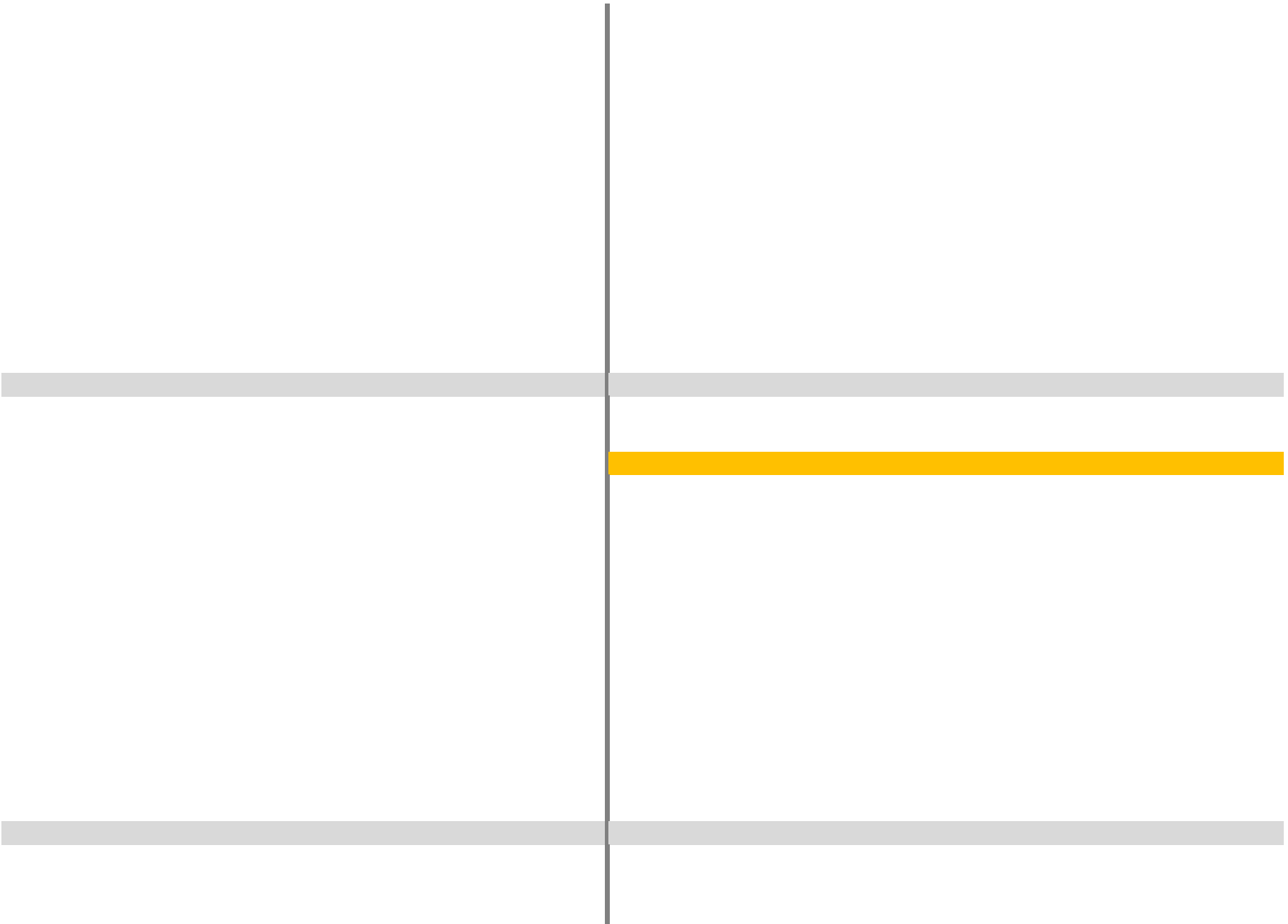




	Year	M&O	I&S	Total
Tax Rates	21-22	\$1.0067	\$0.37	\$1.3767
	22-23	\$0.9429	\$0.37	\$1.3129
	23-24	\$0.7575	\$0.37	\$1.1275
	Proposed 24-25	\$0.7552	\$0.37	\$1.1252
	+ / -	\$0.0023	\$0.00	\$0.0023



Year	M&O	I&S	Total	Average Single Family Home	Homestead Exemption	M&O Tax	I&S Tax	Total Tax	Recapture
22-23	\$0.9429	\$0.37	\$1.3129	\$493,508	\$40,000	\$4,276	\$1,678	\$5,954	\$15.0 M
23-24	\$0.7575	\$0.37	\$1.1275	\$567,515	\$100,000	\$3,541	\$1,730	\$5,271	\$5.0 M
24-25	\$0.7552	\$0.37	\$1.1252	\$575,848	\$100,000	\$3,594	\$1,760	\$5,354	\$6.5 M
+ / -	\$0.0023	\$0.00	\$0.0023	\$8,333	\$0.00	\$53	\$30	\$83	\$1.5 M



Long-Term Sustainable Changes

- Aligning decisions to the District's Strategic Plan
- Prioritizing and protecting classroom instruction and accountability
- Limiting nonessential hires and adoption of new initiatives
- Filling only vacant teaching and classroom paraprofessional positions
- Reducing budgets for all central office and districtwide departments
- Developing revenue generating opportunities, including:
 - Nonresident limited open enrollment
 - Voter Approved Tax Ratification Election
 - Increase attendance rate to 96%
 - External Sources (Grants, Sponsorships, Partnerships)
 - Increase facility rental fees
 - Explore extracurricular fees
 - Explore transportation fees
- Developing prioritized budget reduction measures, including:
 - Reduce central office and professional support positions by attrition
 - Programmatic changes to reduce offerings or services and staff
 - Continue reducing operating budgets
 - School campus consolidations and boundary realignments
 - Increased student-to-teacher ratios
- Meeting all state and federal mandates