

Hays CISD – Town Hall Discussion - School Finance



Where Does the Money Come From?

- **Local**

- Property taxes paid by homeowners and businesses make up the largest share of revenue received by Hays CISD, roughly 71% of the operating budget.

- **State**

- Texas school districts receive funding from the Texas Education Agency (TEA) based on student attendance. About 21% of Hays CISD's operating budget comes from the state. The state share has been decreasing due to Hays CISD's increasing property values.

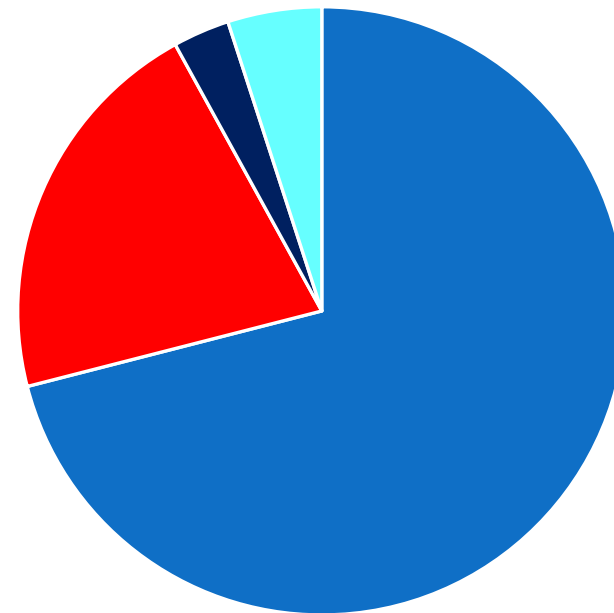
- **Federal**

- Federal revenues are directed toward special program reimbursements and make up 3% of the operating budget

- **Fund Balance**

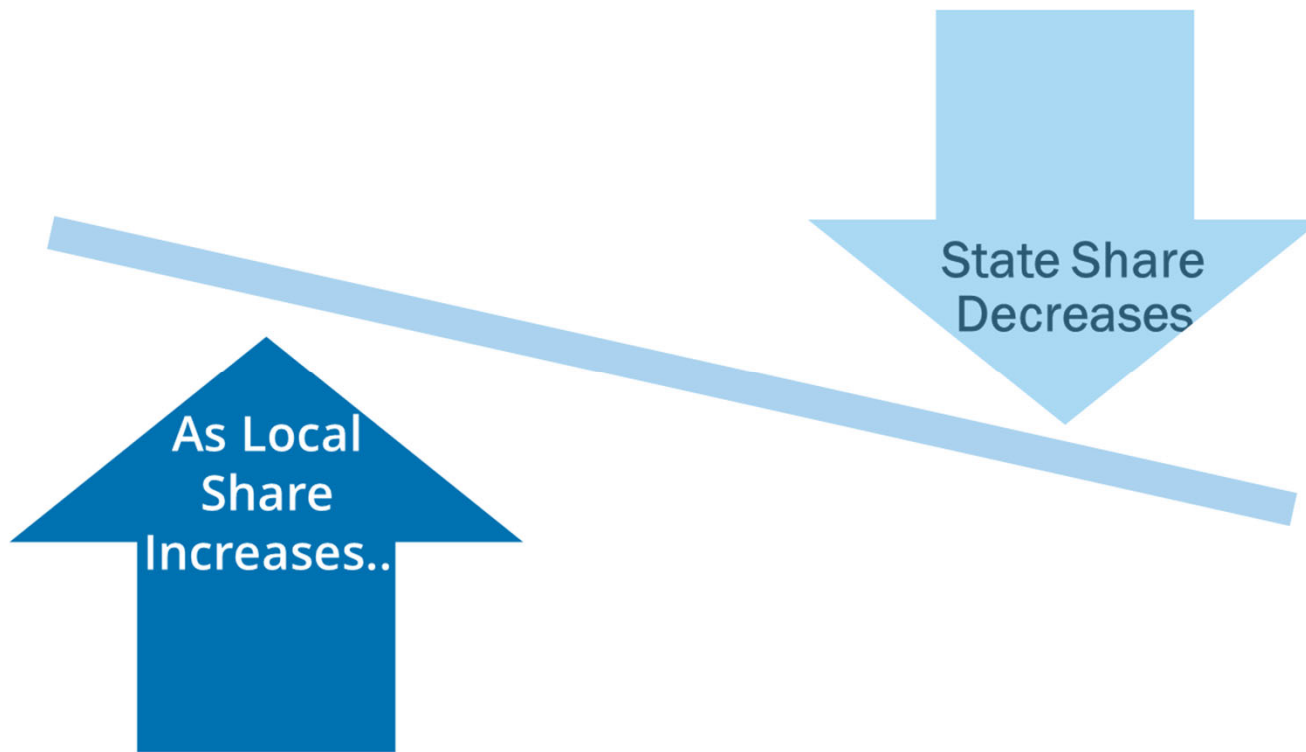
- In an effort to keep pace with rising costs and retain high quality staff, Hays CISD obligated 5% of the operating budget from it's fund balance reserves. **This is not a sustainable source of funding.**

Funding Sources



■ Local ■ State ■ Federal ■ Fund Balance

A balancing act: State Share vs. Local Share



How Much Money Does the District Get?

The district is funded using formulas set in statute (Chapters 46 and 48) and they consider both student and district characteristics including the number and type of students enrolled, district size and geographic factors, and local taxable property values and tax rates.

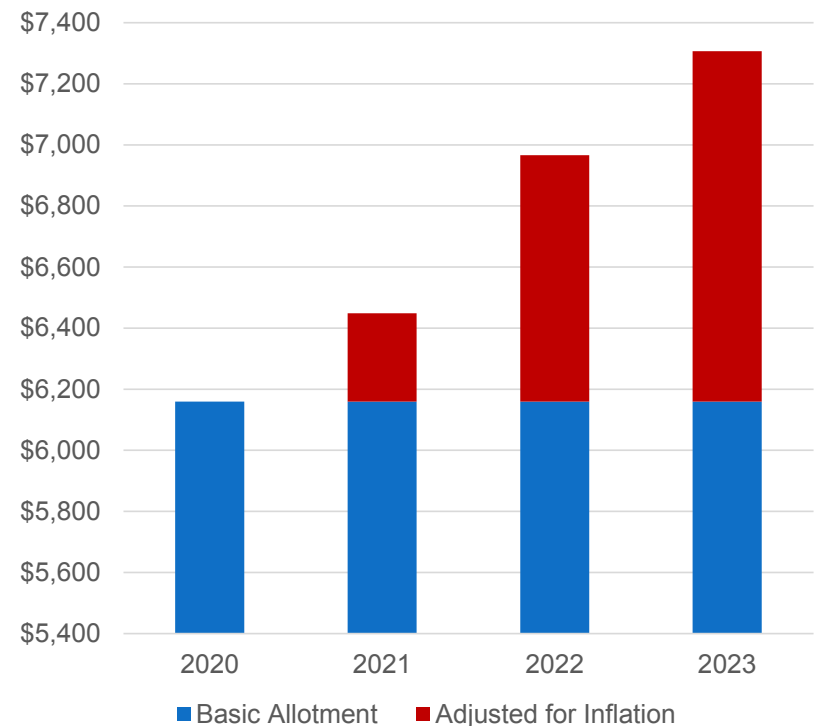
Elements of the funding formulas include:

- **Basic Allotment** - The Basic Allotment (BA) is \$6,160 per student and does not account for inflation.
- **Average Daily Attendance (ADA)** – the average number of students who come to class on any given day.
- **Weighted-student units** – student populations needing more educational resources including those classified as at-risk, economically disadvantaged, bilingual, special education, gifted and talented, career and technical education and dyslexia

Basic Level of Funding (Tier 1) Calculation:

- *Basic Allotment x regular student ADA*
PLUS
- *Basic Allotment x # of students in weighted group x weight for that group*

Basic Allotment



Hays CISD Rising Costs

Description	2020	2023	Increase	% Increase
Payroll	\$ 157,344,190	\$ 192,276,258	\$ 34,932,068	22.20%
Utilities	\$ 4,222,696	\$ 4,955,678	\$ 732,982	17.36%
Fuel (<i>school transportation</i>)	\$ 707,794	\$ 1,352,477	\$ 644,683	91.08%
Property Insurance	\$ 829,382	\$ 1,172,280	\$ 342,898	41.34%
Security	\$ 570,055	\$ 1,167,144	\$ 597,089	104.74%

Funds Allocated/Remaining for Special Session

- Use of funds restricted to specific purposes. Funding may not cover costs.
- Contingent on legislation that did not pass. Possible discussion for the October special session.
- Restoration of prior state cuts.
- *Additionally, adjustments appear to have reduced state aid owed for FY 2023 by \$682 million and increased recapture owed by \$212 million for a combined state savings related to FY 2023 of \$894 million.*

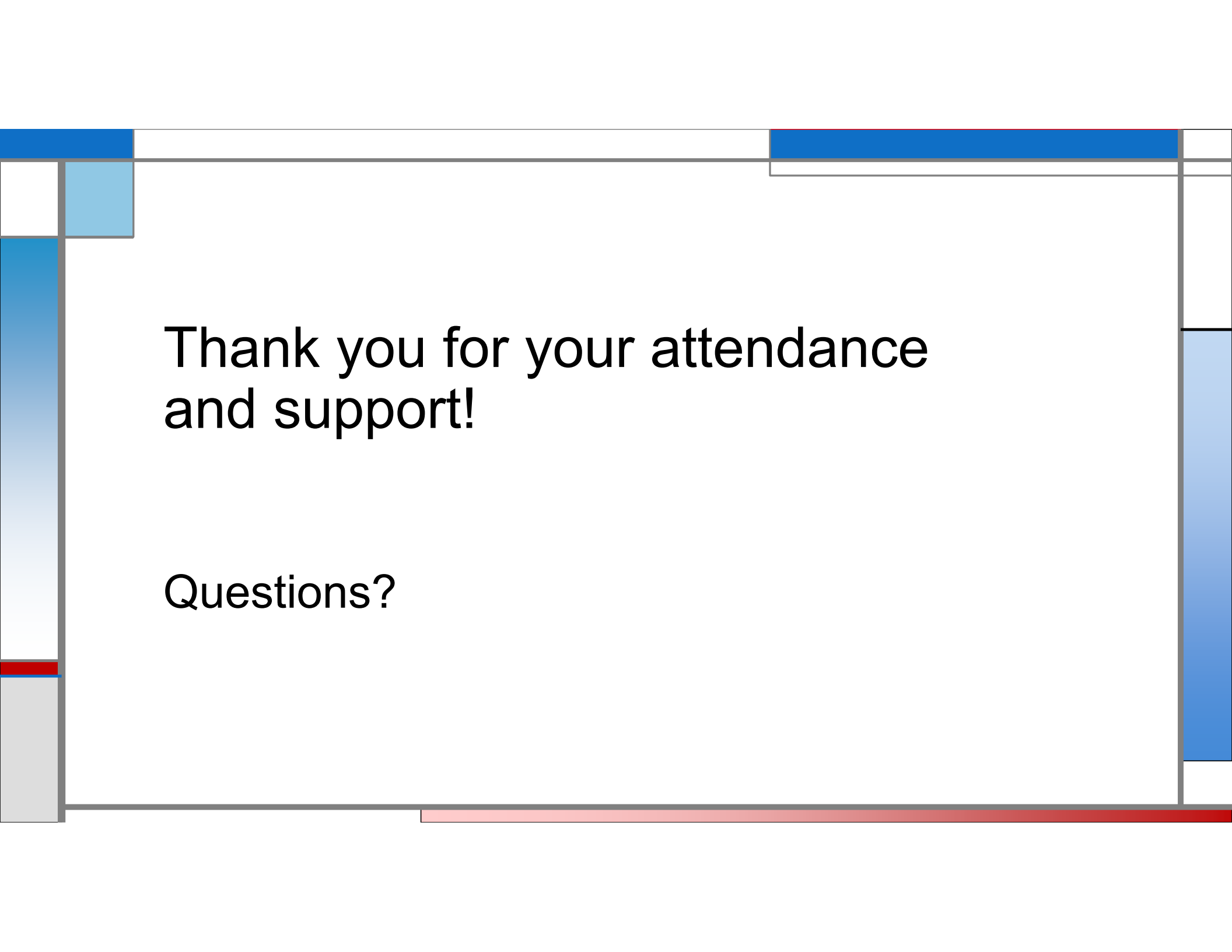
"This legislative biennium spends \$8.7 billion in new money for schools?"

Sec. 18.78. Contingency for Public Education Funding

Amounts appropriated in this rider:	Amount
Curriculum	\$ 500,000,000
School Safety	\$ 300,000,000
Formula Funding & Teacher Compensation	\$ 3,996,700,000
School Choice	\$ 500,000,000
Virtual Education	\$ 49,400,000
Amounts appropriated elsewhere in this act:	
TRS Active Care	\$ 588,500,000
Increase in "golden penny yield"	\$ 2,366,700,000
Increase in New Instructional Facilities	\$ 60,000,000
Instructional Materials	\$ 307,000,000

What would help Hays CISD?

- Put all available funding into the Basic Allotment.
- Fund on enrollment NOT attendance (ADA).
- Add an inflationary adjustment to keep up with rising costs.
- Add the surplus from the state savings related to FY 2023 (\$894 million) to increase funding and **NOT** replace the dollars already allocated.

A decorative border surrounds the slide content. It consists of several colored rectangular blocks: a blue block at the top left, a blue block at the top right, a blue block on the right side, a red block at the bottom right, and a grey block at the bottom left. There are also some smaller blue and light blue blocks on the left side.

Thank you for your attendance
and support!

Questions?