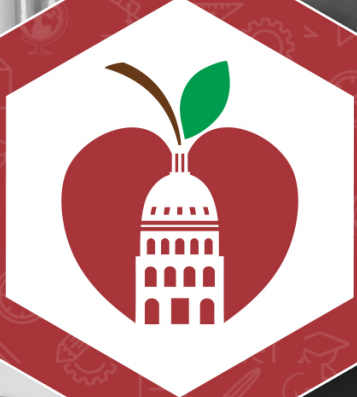




AUSTIN
Independent School District



Joint Subcommittee Presentation

March 25, 2022

Eduardo Ramos, Chief Financial Officer-Austin ISD

What is our vision?

*"...high expectations for all
our children, high outcomes
for every student."*



Who we're doing this for

LBJ EARLY COLLEGE HIGH SCHOOL SCHOLARS AND ATHLETES

WINNERS
ON THE FIELD

AND IN THE
CLASSROOM



LBJ

EARLY COLLEGE HIGH SCHOOL

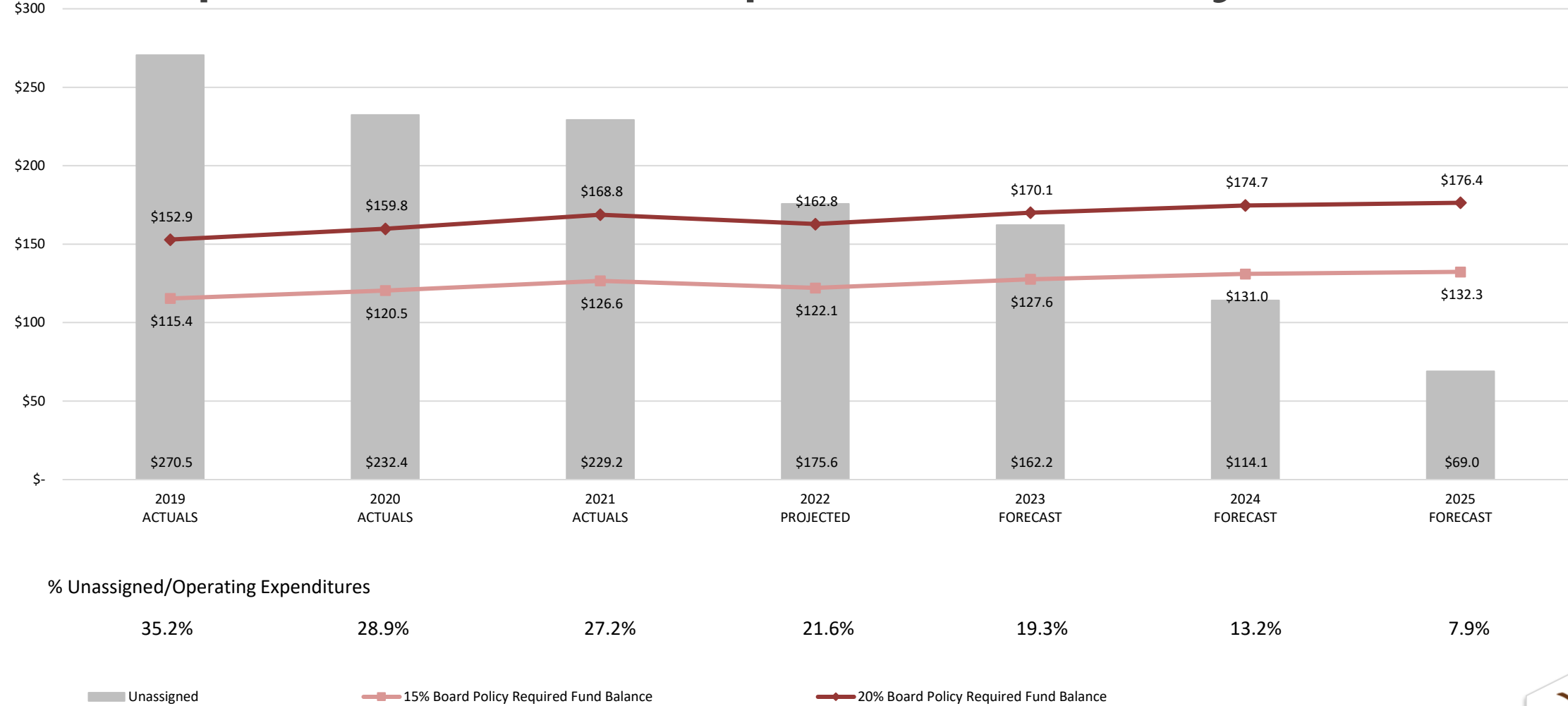


89 HOURS OF COLLEGE CREDIT

austinisd.org/haveitall



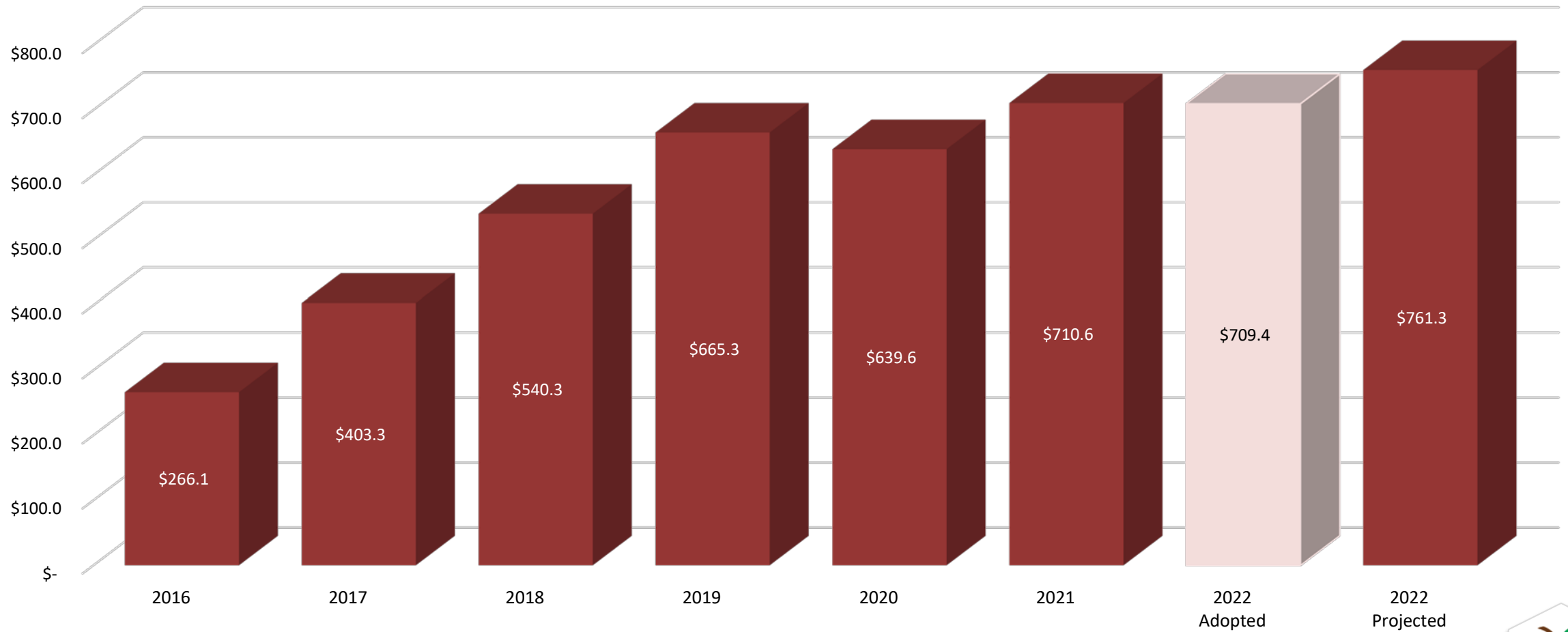
Status quo will bankrupt AISD in 3 years



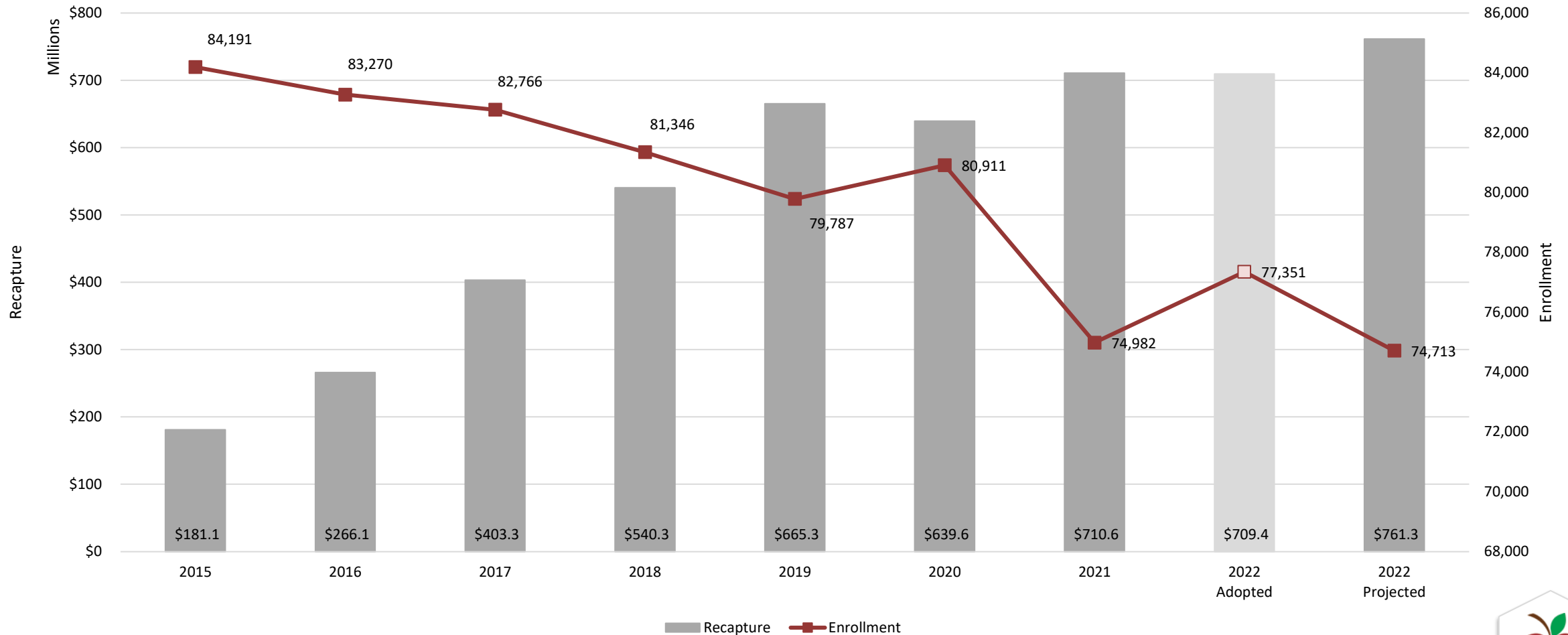
Bond Rating: AAA



Recapture History *(in millions)*



Recapture rising, enrollment falling



AISD RECAPTURE AWARENESS



RECAPTURE IN TEXAS

Austin ISD	\$ 710.6 million
Houston ISD	\$197.8 million
Plano ISD	\$191.9 million
Midland ISD	\$154.4 million

2022-23 school year Austin Property Taxpayers

WILL PAY \$761.3 million

AUSTIN ISD RECAPTURE

Austin Taxpayers

WILL PAY \$761.3 million



Cost Comparison:

Indeed Tower	\$580 million
Independent Tower	\$145 million
Elon's new house	\$ 12 million

AUSTIN ISD RECAPTURE

Austin Taxpayers

WILL PAY \$761.3 million

Cost Comparison:



**NRG Stadium in Houston
and
James Stadium in Tampa
TOTAL \$646 million**



Projected FY2022 Fund Balance *(in millions)*

Budget Amounts		
Revenue	\$1,535.2	
Expenditures	(\$1,581.4)	
Amended Budget Net Change – Surplus(Deficit)		(\$46.2)
Revised Projections: Enrollment & ADA Decline	(\$40.4)	<u>(\$40.4)</u>
Adjusted Net Change – Surplus(Deficit)		(\$86.6)
Supplant:		
ESSER II – Hold Harmless	\$26.6	
ESSER II – Additional Supplant	\$6.9	
ESSER III	\$24.5	<u>\$58.0</u>
Projected Net Change – Surplus(Deficit)		(\$28.6)



FY2022 Budget Actions

We closing budget deficit!

- Evaluating and eliminating vacant positions.
- Implementing a hiring freeze, when applicable.
- District-Wide Teacher Leveling.
- Change in district policy for Travel and Cell-phone allowance.
- Supplanting Operating Budget with ESSER Funding, per ESSER plan.

Estimated Payroll cost savings from actions: \$23.6m

Estimated Total FY2022 ESSER Fund Supplanting Plan: \$58m



FY23 Budget – Balanced Budget Priority

- **Balanced and Equitable Budget**
- Reducing overall staffing – 250 administrative/operational positions
- Department Budget Reductions
- Pay Raises
 - Increase hourly pay to \$16/hr. minimum for Classified Employees
 - Increase Teacher base pay by \$1,000
 - Increase Teacher salaries by 1.5% plus PPfT (based on mid-point)
 - Increase in Bus Driver compensation to \$21/hr minimum



Staffing Challenges

DIVE BRIEF

NCES: Nearly half of public schools impacted by staffing shortages, resignations

Published March 3, 2022



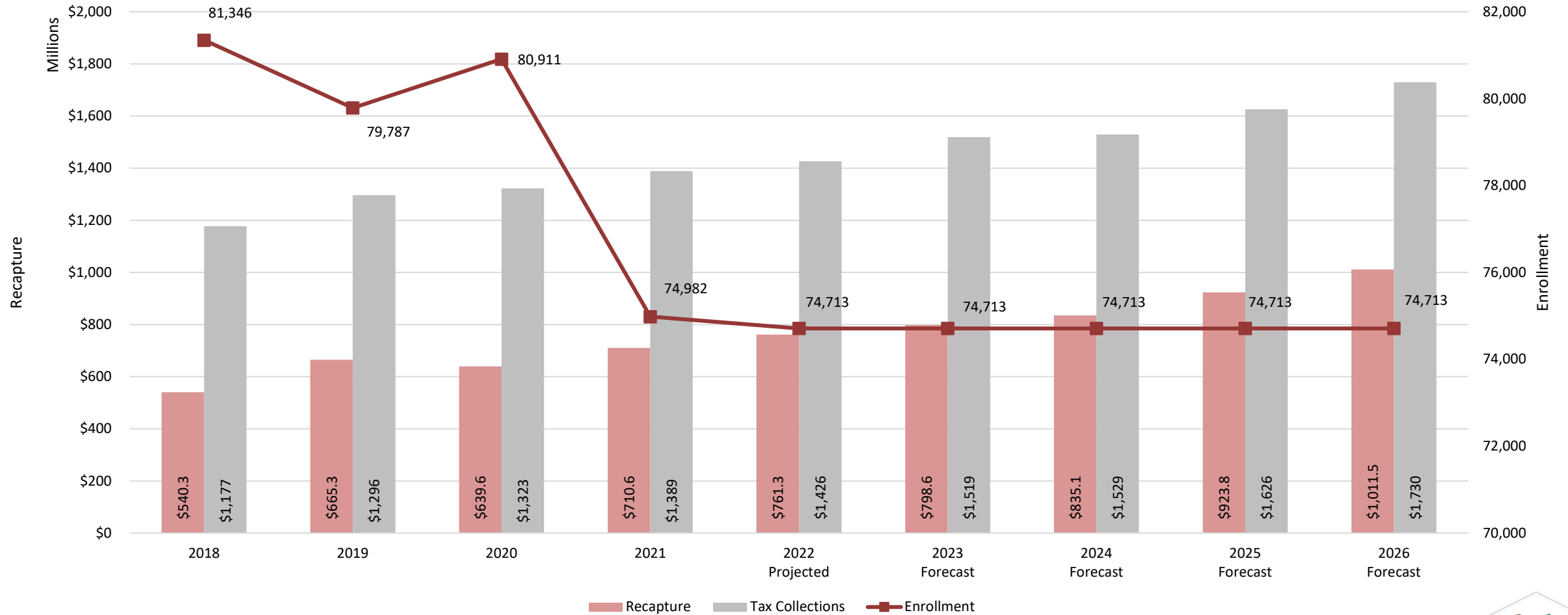
[Naaz Modan](#)

Reporter

in



Recapture & Enrollment, *compared to Tax Collections*



FY2023 to FY2026: Assumes no growth for enrollment. Data based on October 2021 snapshot.

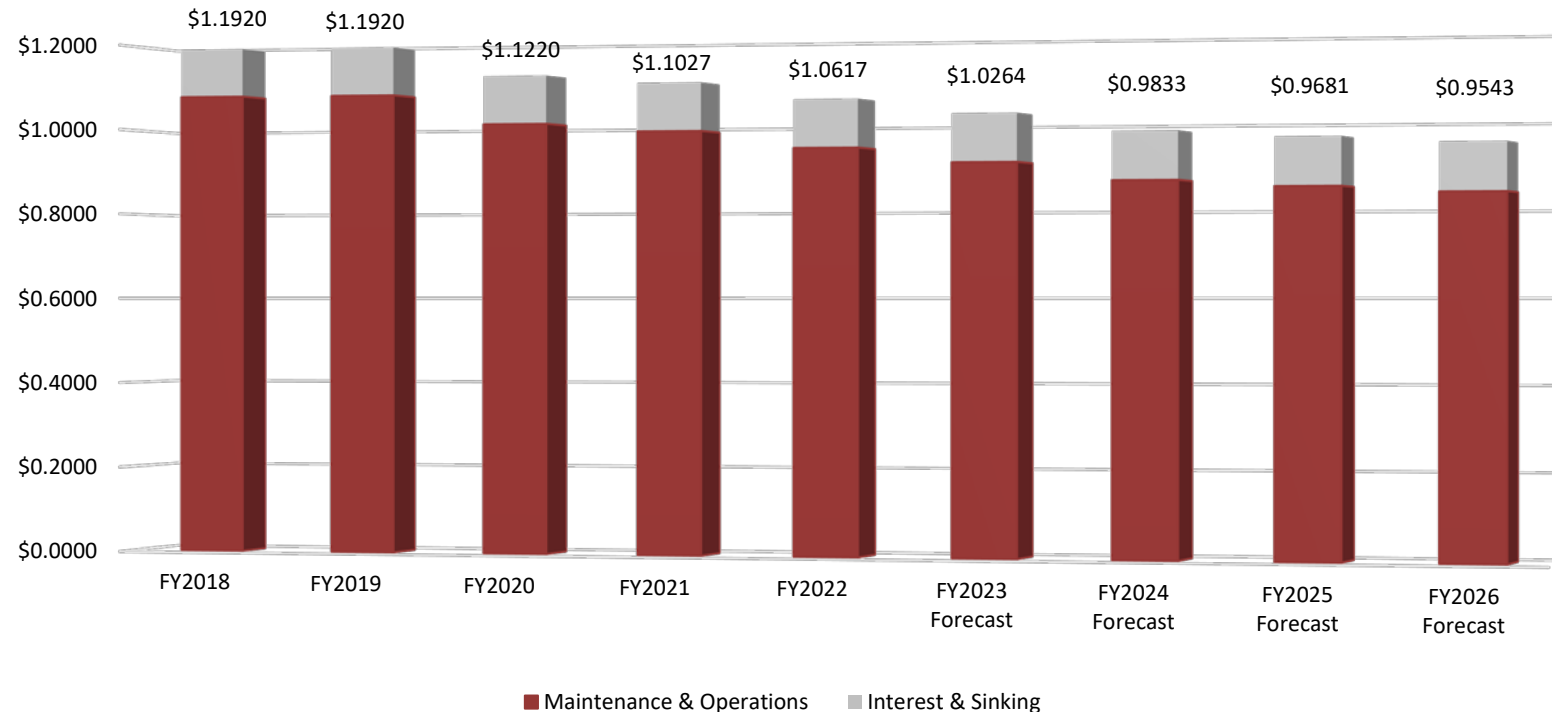


Preliminary Bond Discussions

- Current Debt Service Tax Rate: \$0.113
- Current Bond Rating: Aaa
- Current Debt Capacity: \$1.2 - \$1.5 billion
- Long Rang Planning Process
- Bond Steering Committee
- August 22, 2022: Last Day Board of Trustees Can Call a Bond Election



Tax Rate History



A reduction in the tax rate does not mean a reduction in taxpayer liability. Taxpayers could see an increase in taxes due to an increase in property values.

Austin ISD: Property Tax Rate per \$100 Taxable Valuation

*In accordance with Texas Education Code, the district's prior year MCR was used as its maximum tier one tax rate plus tier two pennies for the purpose of publishing the Notice of Public Meeting to Discuss Budget and Proposed Tax Rate. As a July 1 district, AISD will not have its MCR from TEA until August and must adopt the budget no later than June 30. AISD used Region 13 and TASBO templates to calculate and determine the district's tax rate for developing the Fiscal Year Budget.



Call to Action

- Thank an educator and share your positive stories about their impact
- Get involved with organizations advocating for public ed at the state level
- Retweet, amplify messages from @AustinISD
- Speak up: balancing the budget is painful but beneficial to our kids
- Support a bond. 100% of bond stays in ATX