



Northside Independent School District

Business and Finance

May 27, 2025



Legislation Update

The Texas House & Senate plan for

SCHOOL FINANCE

A HISTORIC \$8.5 BILLION BOOST FOR PUBLIC SCHOOLS

**\$1.3
BILLION**
NEW
ALLOTMENT FOR
BASIC COSTS
(ABC)

**\$4.2
BILLION**
RECORD
TEACHER +
STAFF
PAY RAISES

HB 2:

THE LARGEST NEW
PUBLIC EDUCATION
INVESTMENT IN
TEXAS HISTORY

**>\$2.2
BILLION**
SPECIAL ED,
FULL-DAY PRE-K,
EARLY LEARNING,
SCHOOL SAFETY
& CTE

**>\$800
MILLION**
FOR GROWING
& RURAL
DISTRICTS

LANDMARK REFORMS

- \$8.5 billion in new public education funding--the largest single increase in state history
- \$1.3 billion for the new ABC allotment to relieve budget pressures like skyrocketing insurance premiums, TRS costs tied to teacher raises, and utilities
- Represents a \$1,600 per-pupil increase over the biennium
- Ties the BA to the growth of property values, yielding automatic increases in public education funding moving forward
- \$300 million in additional funds for small & mid-size schools
- \$430 million for school safety
- 50% funding increase for schools that extend instruction through the Additional Days School Year program
- \$200 million to expand charter school facilities, closing longstanding gaps & keeping more dollars in the classroom

SPECIAL EDUCATION

- \$850 million to overhaul special education
- Funds \$1,000 reimbursements for student evaluations for the first time

FOUNDATIONS TO FUTURES INITIATIVES

- Fully funds full-day pre-K
- \$677 million for early learning programs & \$153 million for Career & Technical Education (CTE)
- Covers free, high-quality literacy screenings & interventions to accelerate literacy by the 3rd grade
- Creates new math training programs for K-8 teachers to improve student numeracy
- Expands CTE programs that give students real-world skills, dual learning opportunities & high-wage job pathways after graduation, especially in rural areas

TEACHER PAY

- Includes \$4.2 billion for the largest teacher pay increase in state history, ensuring every eligible teacher sees a raise while providing targeted support to retain teachers in areas where they are needed most. \$500 million will be dedicated for non-administrative staff pay raises.
- Provides permanent pay raises for teachers with 3+ years' experience, incentivizing those who stick with the profession by more than doubling that pay raise in year 5.
- Offers up to \$8,000 for teachers with 5+ years' experience in rural schools, addressing staffing challenges in high-need districts.
- Reforms the Teacher Incentive Allotment to expand eligibility so more teachers—including promising new educators—qualify for performance-based pay increases, while also raising the ceiling so top-performing teachers are more substantially rewarded.
- Provides free pre-K for the children of Texas teachers.

TEACHER PREP

- Invests \$135 million for teacher preparation & certification programs to ensure students are learning from qualified & prepared professionals and phases out uncertified teachers by 2030.
- Pays student teachers for in-classroom training & funds “grow your own” programs to recruit more teachers from local communities
- Waives certification exam fees for bilingual & special ed teachers
- Provides a \$3,000 mentorship stipend for participating experienced teachers who mentor a new teacher on-the-job.
- Provides funding to offset the burdens of rehiring retired teachers to fill high-needs positions.

**A NEW \$8.5 BILLION INVESTMENT IN CLASSROOMS. RECORD
TEACHER PAY RAISES. A \$1,600 BIENNIAL INCREASE IN PER-
PUPIL FUNDING. FULLY FUNDED FULL-DAY PRE-K.**

That's the Legislature's school finance plan.



Northside ISD General Fund HB2 Review <i>PRELIMINARY</i>	FY25 Adopted	FY 26 Projection Current Law	HB2 Senate Floor Amendment	Projection vs HB2
Membership	100,324	98,489		
Refined Average Daily Attendance	93,500	91,000	90,173	(827)
Regular Program Allotment	\$ 521.68	\$ 503.64	\$ 503.49	\$ (0.15)
Allotments with Required Spending				
Special Education	\$ 107.41	\$ 113.08	\$ 116.32	\$ 3.24
Special Education Evaluation (New)			\$ 4.33	\$ 4.33
State Compensatory Education	\$ 79.29	\$ 74.44	\$ 76.59	\$ 2.15
Career & Technical Education	\$ 47.25	\$ 48.50	\$ 48.13	\$ (0.37)
Early Education	\$ 10.98	\$ 10.98	\$ 15.63	\$ 4.65
School Safety	\$ 2.81	\$ 2.81	\$ 6.00	\$ 3.19
Teacher Retention Allotment (New)*			\$ 32.16	\$ 32.16
Allotment for Basic Costs (New)			\$ 10.62	\$ 10.62
Other (Bilingual, CTE, Dyslexia, Etc.)	\$ 22.97	\$ 22.65	\$ 22.66	\$ 0.01
Total Allotments	\$ 792.40	\$ 776.10	\$ 835.93	\$ 59.83
Local Share	\$ (474.92)	\$ (490.07)	\$ (490.01)	\$ 0.06
Tier 2/Golden Penny Yield	\$ 43.35	\$ 41.60	\$ 39.69	\$ (1.91)
Hold Harmless	\$ 8.73	\$ 21.28	\$ 19.08	\$ (2.20)
Total M&O State Aid	\$ 369.56	\$ 348.91	\$ 404.69	\$ 55.78
note: dollar amounts shown in millions				
*Required Pay Increases				\$ 32.16
Benefit Costs for Required Pay Increases				\$ 3.54



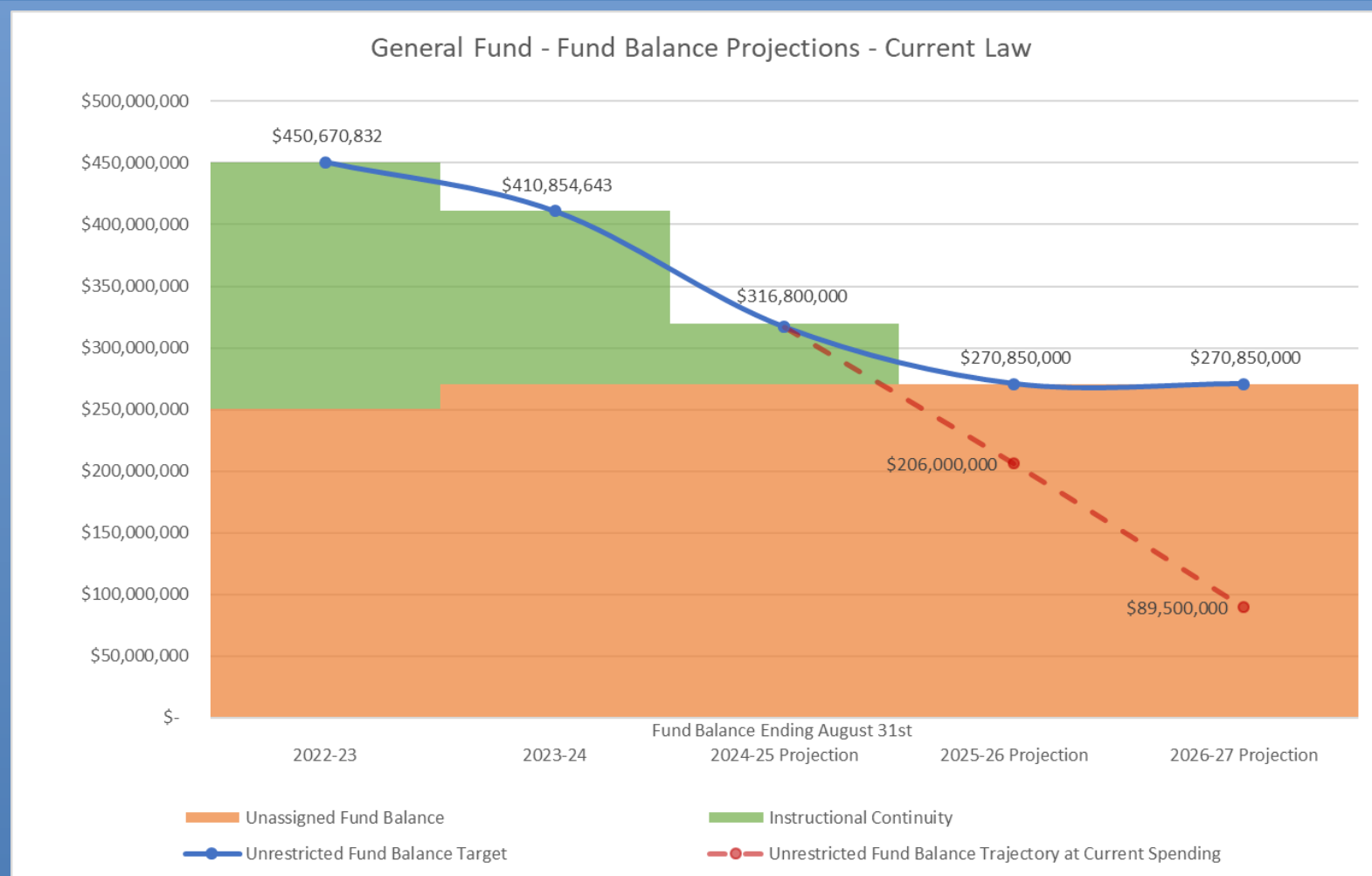
Compensation Plan History

Compensation Plan History

<div>20192020</div> <div>\$33.8 MILLION</div> <div><ul style="list-style-type: none">• Employees on a hiring schedule (average of 4%): \$2,300• 3% midpoint increase including auxiliary</div>	<div>20202021</div> <div>\$4 MILLION</div> <div><ul style="list-style-type: none">• No general pay increase at the start of the year• 1% mid-year adjustment to employees (one-time payment)</div>	<div>20212022</div> <div>\$41 MILLION</div> <div><ul style="list-style-type: none">• Employees on a hiring schedule (average of 3%): \$1,900• 3% non-auxiliary midpoint increase• 3.5% auxiliary midpoint increase• Retention Payment of \$1,000 to all full-time employees</div>	<div>20222023</div> <div>\$23.4 MILLION</div> <div><ul style="list-style-type: none">• Employees on a hiring schedule (average of 2%): \$1,250• 2% non-auxiliary midpoint increase• 4% auxiliary midpoint increase• Mid-year hourly wage increase for certain groups</div>	<div>20232024</div> <div>\$46.1 MILLION</div> <div><ul style="list-style-type: none">• Employees on a hiring schedule (average of 3%): \$2,000• 3% midpoint increase• Retention Payment of at least \$1,200 to all full-time employees</div>	<div>20242025</div> <div>\$18 MILLION</div> <div><ul style="list-style-type: none">• Employees on a hiring schedule (average of 2%): \$1,400• 2% midpoint increase</div>
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FY 2026 Budget Planning Update



General Fund – Unrestricted Fund Balance Trajectory

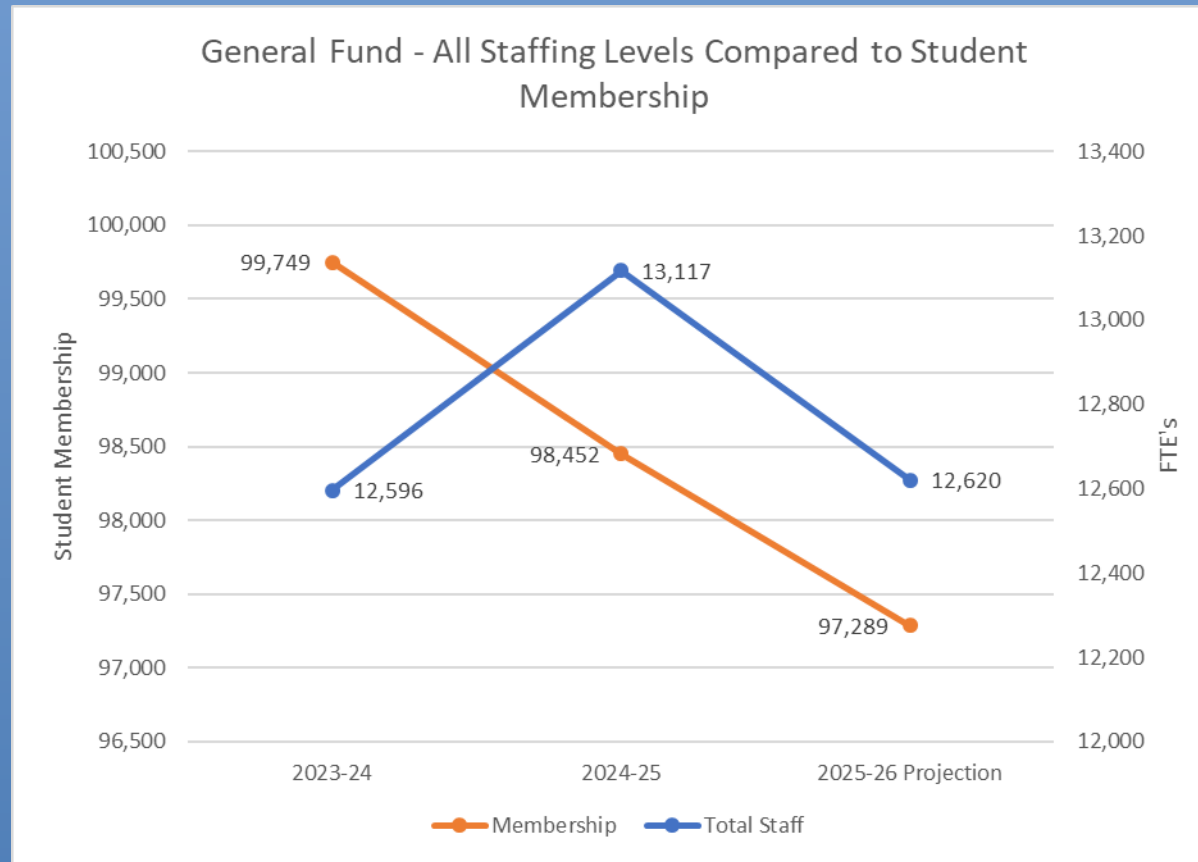
The image above shows the projected trajectory of unassigned fund balance if there are no changes to current revenues and spending.

**Northside Independent School District
2025-26
Staffing Unit Changes**

Description	Teachers	Librarians	Counselors	Nurses	Instructional Assistants	Auxiliary & Paraprofessionals	Campus Administration	Professional Support
Learning Tree Program						49.25		
Middle School Student Success Facilitators (SSFs)							(21.00)	
Clinic Assistant Positions						(14.00)		
Office Clerk Positions						(10.00)		
English as a Second Language (ESL), Newcomer, and Language Support Staffing	(24.00)							
Classroom Teacher Adjustment	(310.01)							
Counselor Allocations			(16.50)					
Jordan Middle School Magnet Administration			1.00			1.00		
Department Positions						(6.00)		(38.00)
STEM Position Reduction	(20.00)							
GT Position Reduction	(12.00)							
Art & Music Position Reductions	(15.00)							
PE Position Reductions/Adds	(4.00)				4.00			
Early Childhood Collaboration	(28.00)					(34.00)		
Total	(413.01)	0.00	(15.50)	0.00	4.00	(13.75)	(21.00)	(38.00)
							Grand Total	(497.26)

General Fund - Staffing Additions/Reductions

The image above shows staffing changes for the 2025-26 school year that have been identified as of May 16, 2025.



General Fund - All Staffing Levels Compared to Student Membership

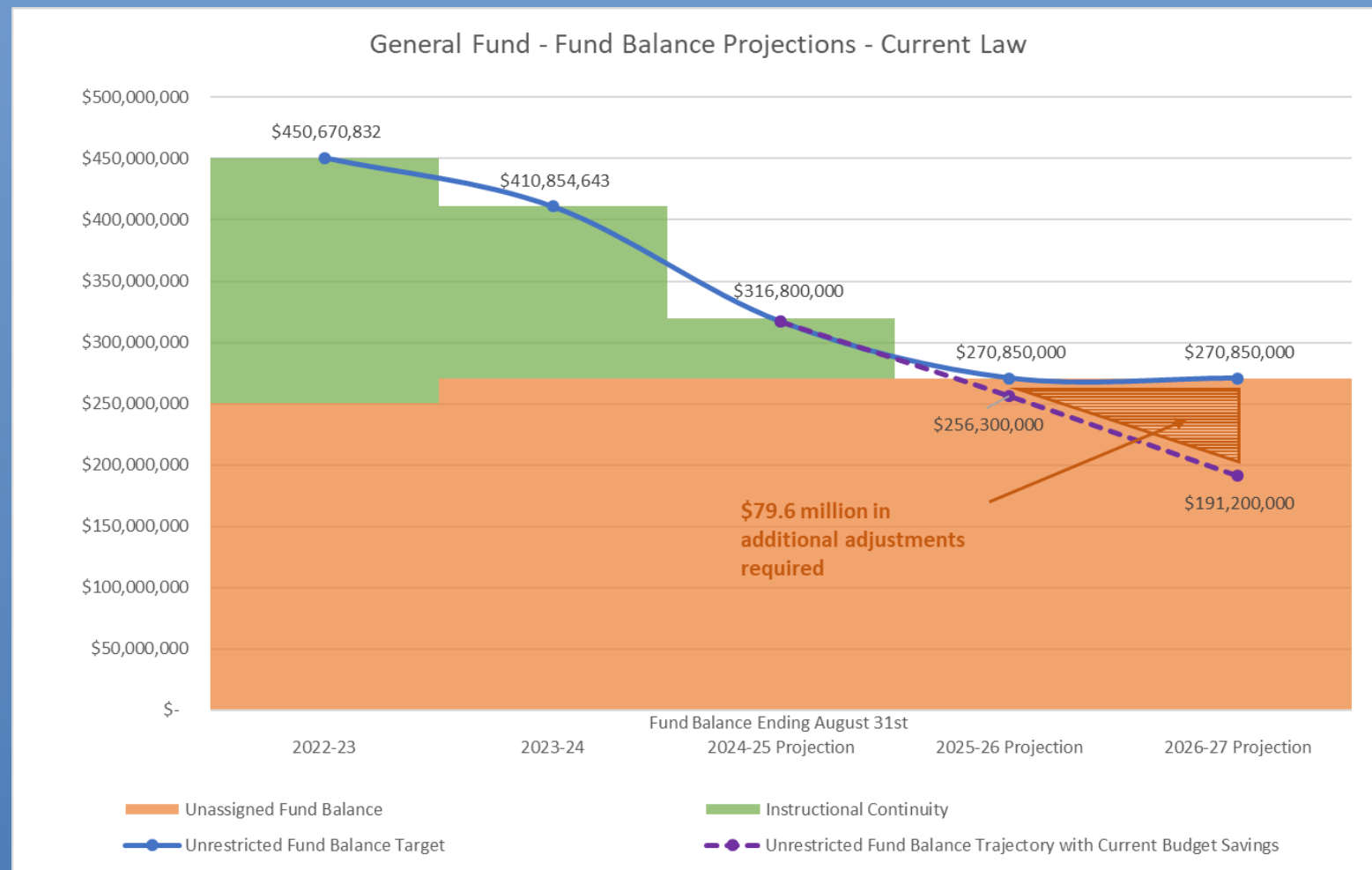
Positions included are teachers, librarians, counselors, nurses, instructional assistants, auxiliary and paraprofessional, campus administration, professional support.

Budget Projections - Current Law

	2024-25	2025-26	2026-27
Revenues	\$998,300,000	\$986,000,000	\$984,000,000
Property Tax Collection		\$12,100,000	\$13,200,000
State Foundation Funding		(\$17,500,000)	(\$10,200,000)
Investment Interest Income		(\$5,000,000)	(\$5,000,000)
Federal - SHARS		(\$3,200,000)	
After School Program		\$1,300,000	
Expenditures	\$1,092,400,000	\$1,046,500,000	\$1,049,000,000
Utilities and Insurance		\$2,500,000	\$2,500,000
Staffing and Overtime Adjustments	(\$6,000,000)	(\$36,900,000)	
Contracts, Supplies, and Misc.	(\$1,500,000)	(\$11,500,000)	
Projected Results of Operations	(\$94,100,000)	(\$60,500,000)	(\$65,000,000)
Fund Balance			
Beginning Instructional Continuity (IC)	\$140,000,000	\$45,900,000	\$0
Use of IC to cover Deficit	(\$94,100,000)	(\$45,900,000)	
Beginning Unassigned Fund Balance	\$270,900,000	\$270,900,000	\$256,200,000
Use of Unassigned Fund		(\$14,600,000)	(\$65,000,000)
Total Ending Fund Balance	\$316,800,000	\$256,300,000	\$191,200,000

Current Budget Projections

The budget projections above include significant categorical changes (*in italics*) that walk forward in to the subsequent fiscal year(s). Includes projections that have been identified as of May 16, 2025.



General Fund – Unrestricted Fund Balance Projections

The image above shows the projection of unassigned fund balance based on budget changes identified as of May 16, 2025.



Thank you