

## 2005-2006 DISTRICT BUDGET

For 2005-2006, Austin ISD will have a total operating budget of \$761 million. Developing the new budget was particularly challenging this year because the District must fund its operation on a property tax rate that is capped at \$1.50 per \$100 of assessed property value, and because the Texas Legislature has not yet reformed public school finance or provided for a salary increase for school employees.

Included in this budget is a “recapture” payment of \$136 million as the District’s commitment to equalize public school funding in Texas under the state’s “share the wealth” school finance system. To balance the budget will also require that the District dip into its Fund Balance, basically its savings account, by \$22.5 million.

Despite these challenges, the District’s budget targets additional spending for new student growth, added services for needy students, and for employee compensation to offset rising health insurance costs and retirement contribution payments. These include:

**HIGH SCHOOLS** To complement the District’s accelerating *High School Redesign Initiative*, the 2005-2006 budget increases funding for high school literacy and targeted interventions, particularly for students who must pass one or more portions of the *Texas Assessment of Knowledge & Skills Exit Test* to graduate. A few new teaching positions also were created on several high school campuses to accelerate the District’s expanding *Career and Technology Education* programs.

**SCIENCE** Student performance on the TAKS Science test reflects the fact that Austin students have not had consistent or deep Science education over the years. The new budget includes significant new funding for

elementary, middle and high school Science staff development and student interventions.

**MATH EDUCATION** Included in the budget is new funding for increased Math interventions in elementary, middle, and high school. The interventions will target students who are below grade level to have a significant impact on closing the achievement gaps in math.

**ENGLISH LANGUAGE LEARNERS** AISD will continue to support student growth at the International High School, as well as more intensive bilingual education, aimed at developing full literacy in Academic English and Academic Spanish, and transition into English after three years.

**SECONDARY LITERACY** Also included is money for the District to increase its Read 180 capacity to address the needs of middle and high school students who are reading below grade level.

**COMPENSATION & SUPPORT** The District will allocate over \$11.6 million for state compensation increases, namely:

**\$6 million** to pay the full health insurance cost increases for all District employees.

**\$5.6 million** that will be paid to all full-time Austin teachers, librarians, and counselors in May 2006 as a one-time retention stipend.

In addition to the \$1.50 tax rate for operations, the District will assess 12.3 cents per \$100 valuation to pay for bond debt. AISD’s combined tax rate will remain at \$1.623 of \$100 of assessed property value, the lowest tax rate of any school district in Central Texas.

## MAJOR BUDGET INCREASES

Increased Staffing Due to Student Growth	\$ 6.86 million
Retention Stipend	\$ 5.6 million
Employee Health Insurance Increase	\$ 6.0 million
State Recapture Payment Increase	\$ 3.01 million
Increase in Teacher Retirement System Costs	\$ 1.61 million
Increased Utility Costs	\$ 1.06 million
SchoolNet Contract Increase (Benchmark Testing)	\$ .42 million
AP Strategies for Secondary Schools	\$ .32 million
New School Startup Costs	\$ .3 million
Character Education and Safety	\$ .11 million
Seton Nursing Contract Increase	\$ .153 million
Strategic Support for Students with Academic Needs and Teacher Development	\$ 2.19 million

## MAJOR BUDGET DECREASES

Decrease in Building and Grounds Maintenance	\$10.56 million
Decrease in Long-Term Debt Payments	\$ 6.21 million
E-rate Reimbursement	\$ 1.57 million
Implementation of Student & Financial Systems	\$ 1.22 million