

McKinney ISD

20-21 Budget Narrative

The 20-21 Budget is for the Fiscal Year beginning July 1, 2020 and ending June 30, 2020. The budget consists of three separate funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other special purposes funds.

The Food Service Fund is used to provide nutritional meals for students, and includes federal funding to provide free hot meals for eligible children.

The Debt Services Fund is a restricted fund used to pay principal and interest on long-term general obligation debts for construction, major renovations, and maintenance of facilities.

Revenues -- Total budgeted revenues increased by \$4,187,931 from the previous year due to formula funding changes and student population changes.

Expenditures – Total budgeted expenses increased by \$13,198,386 from the previous year due to compensation increases (3% mid-point for exempt and 5% for non-exempt), staffing changes and formula funding changes associated with HB3.

Financial Status – The Budget is projected to be a deficit budget. End of Year Fund Balance level is scheduled to be approximately \$96,187,257.