



Community Budget Steering Committee

# Revenue Generation Sub-Committee

Facilitators: Henry Hall & Dr. Melissa Heller

RICHARDSON ISD'S NORTH STAR GOAL  
Every student, teacher, and leader will meet or exceed their academic growth goals.





## **Revenue Generation:**

Evaluate opportunities for increasing revenue and make recommendations to increase revenue.

# Session Agenda

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- Welcome & Introductions
- Norms
- Share additional budget information
- Brainstorm revenue generation ideas
- Gallery walk
- Next Steps

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# Meeting Norms

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- We will respect everyone's time by starting and ending on time
- Be present, limit side conversations
- Attendance matters
- Ask questions for clarification and to help avoid making assumptions
- Make sure everyone's voice is heard
- All voices count. All opinions are valid, offer reasoning behind your thinking
- Use your voice to support the work and communicate responsibly
- Remember our collective why – Every Student. Every Teacher. Every Leader. Every Day.

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# Current Revenue Accounts

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# Local Revenue Accounts 2021-22



ACCOUNT DESCRIPTION	AMOUNT
5711 Taxes, Current Year Levy	\$275,041,263
5712 Taxes, Prior Years	(\$158,504)
5719 Penalties, Interest and Other Tax Revenues	\$2,013,192
5739 Tuition and Fees from Local Sources	\$3,548,188
5742 Earnings from Temporary Deposits and Investments	\$474,288
5743 Rent	\$2,110,831
5744 Revenue from Foundations, Other Non-Profit Organizations, Gifts and Bequests	\$1,859
5745 Insurance Recovery	\$306,417
5749 Other Revenues from Local Sources	\$807,491
5752 Athletic Activities	\$354,419
5769 Miscellaneous Revenues from Intermediate Sources	\$53,520
<b>Total</b>	<b>\$284,552,964</b>

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# State Revenue Accounts 2021-22



ACCOUNT DESCRIPTION	AMOUNT
5811 Per Capita Apportionment	\$18,894,156
5812 Foundation School Program Act Entitlements	\$45,409,510
5819 Other Foundation School Program Act Revenues	\$347,981
5831 Teacher Retirement/TRS Care - On-Behalf Payments	\$20,754,079
<b>Total</b>	<b>\$85,405,726</b>

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# Federal Revenue Accounts 2021-22



ACCOUNT DESCRIPTION	AMOUNT
5929 Federal Revenues Distributed by Texas Education Agency	\$5,637,248
5931 School Health and Related Services (SHARS)	\$9,929,246
5939 Federal Revenues Distributed by State of Texas Agencies (Other than Texas Education Agency)	\$114,947
7912 Sale of Real and Personal Property	\$295,286
7913 Proceeds from Capital Leases	\$427,415
<b>Total</b>	<b>\$16,404,142</b>

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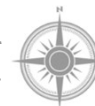
# Peer Districts



State-wide Peers (Most Like RISD)	North Texas (Competing with RISD)
Alvin	Allen
Denton	Carrollton-Farmers Branch
Ector County	Dallas
Humble	Frisco
Klein	Garland
Lamar Consolidated	McKinney
Lewisville	Mesquite
Mansfield	Plano
Midland	Rockwall
Pflugerville	Wylie (Collin County)
Spring Branch	

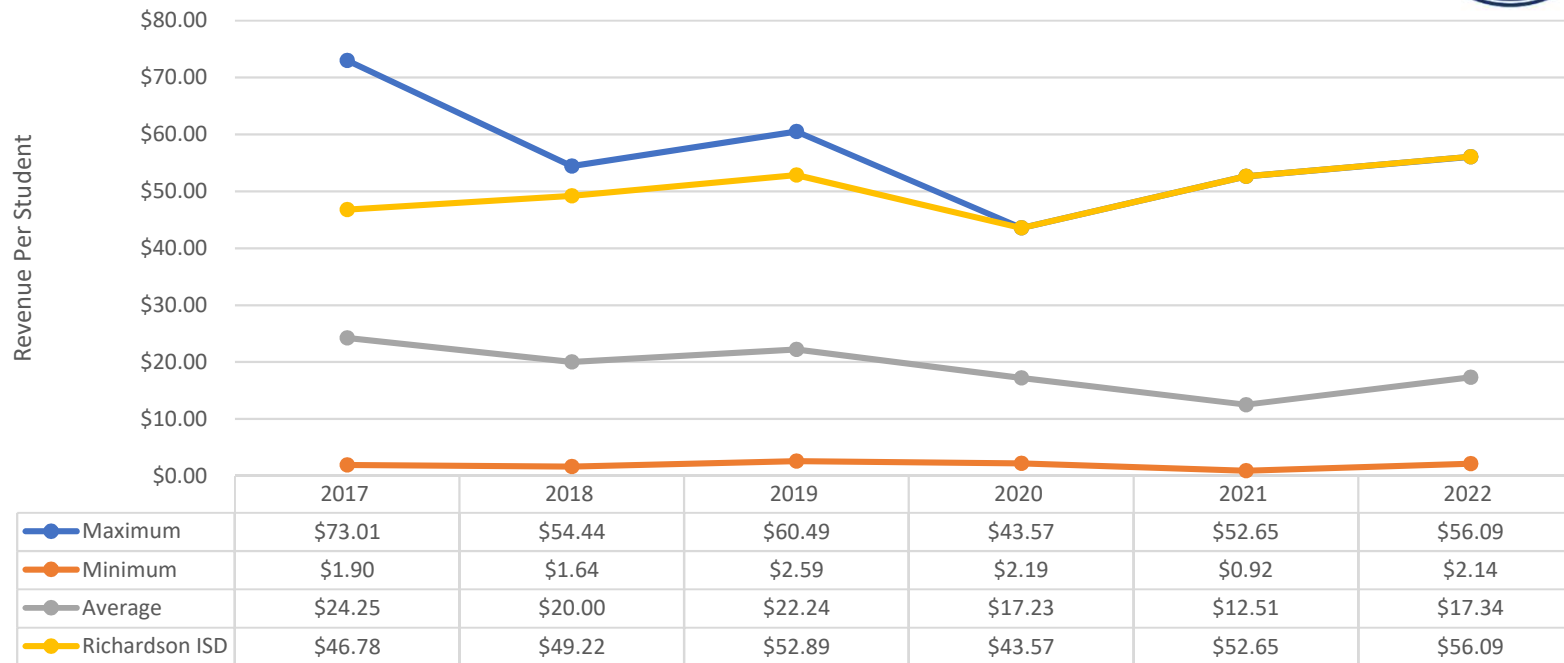
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# Rent



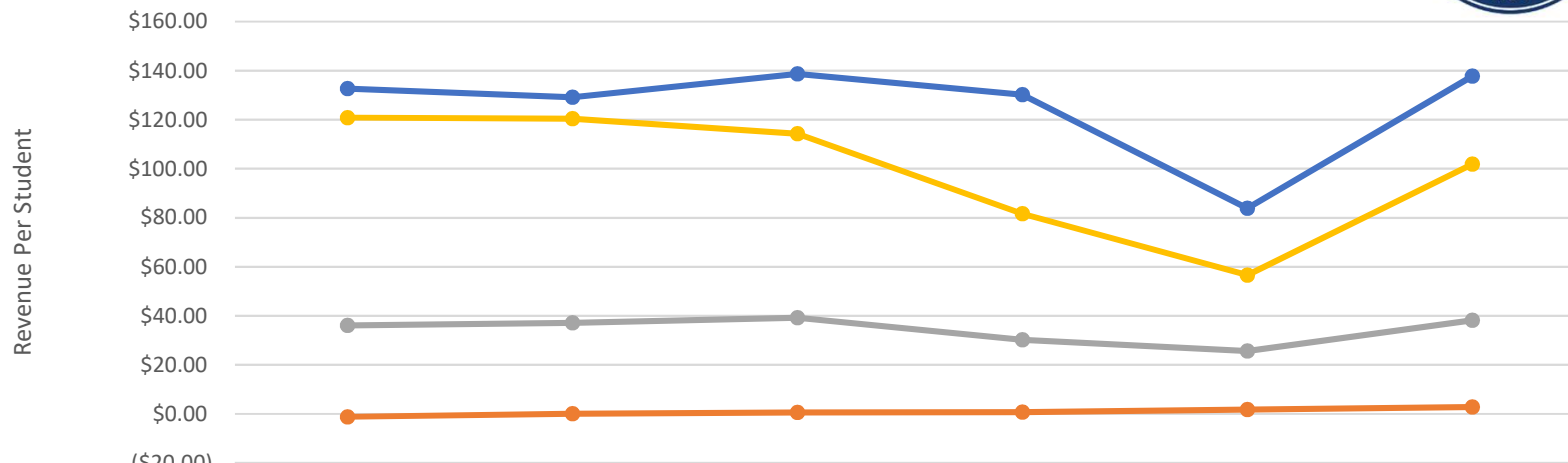
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# Tuition and Fees



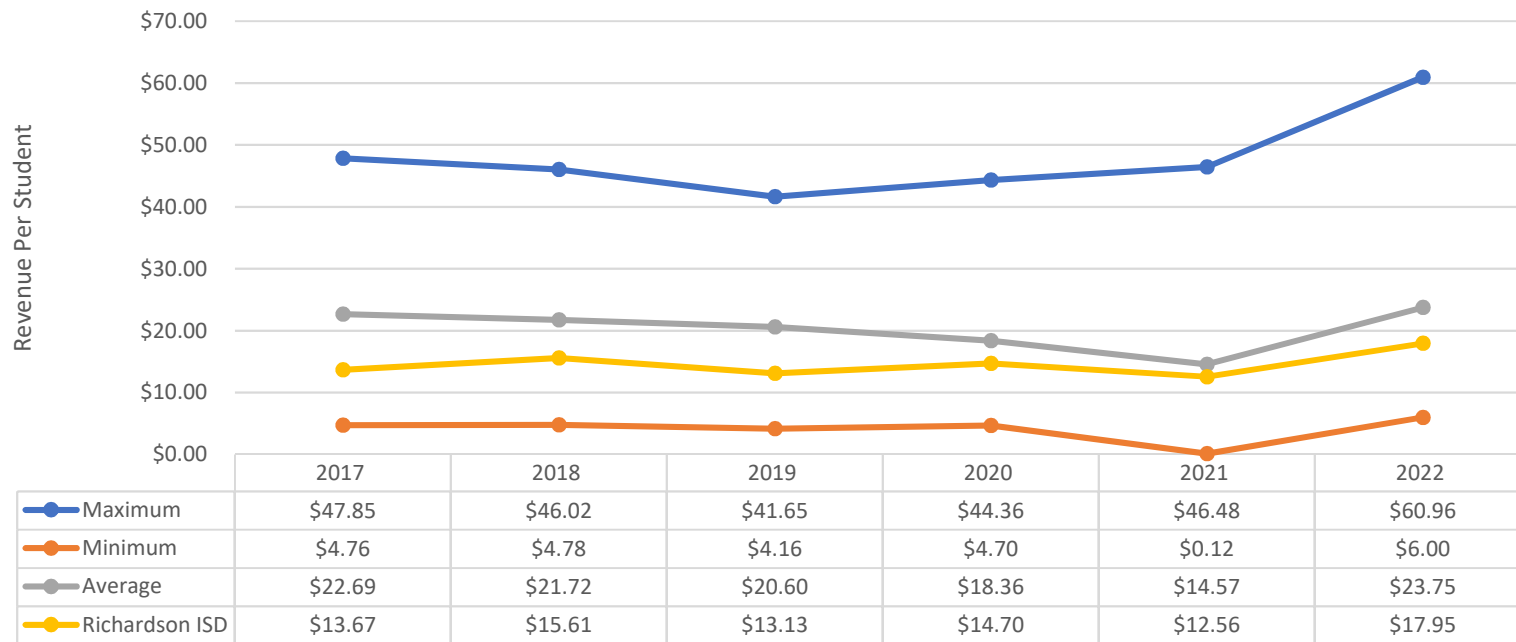
	2017	2018	2019	2020	2021	2022
Maximum	\$132.69	\$129.14	\$138.64	\$130.20	\$83.84	\$137.78
Minimum	(\$1.20)	\$0.02	\$0.59	\$0.67	\$1.76	\$2.79
Average	\$36.03	\$37.07	\$39.16	\$30.19	\$25.62	\$38.22
Richardson ISD	\$120.86	\$120.43	\$114.23	\$81.67	\$56.59	\$101.93

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# Athletic Activities



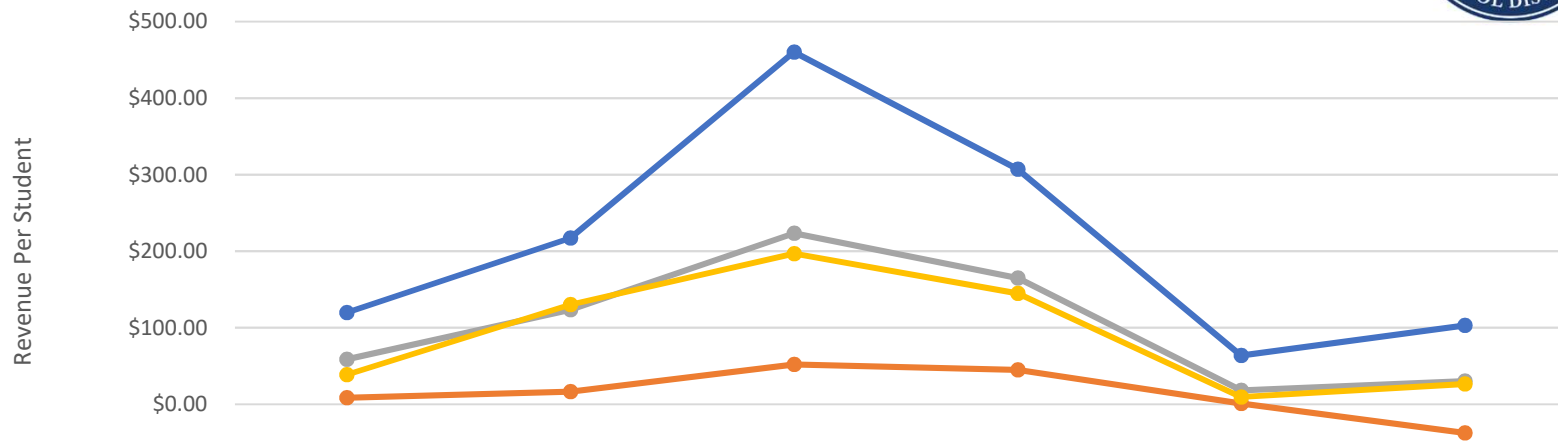
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# Investment Earnings



	2017	2018	2019	2020	2021	2022
Maximum	\$119.90	\$217.20	\$460.24	\$306.93	\$63.81	\$103.26
Minimum	\$8.78	\$16.43	\$52.20	\$45.07	\$1.08	(\$37.46)
Average	\$58.90	\$123.54	\$223.51	\$164.88	\$18.31	\$30.29
Richardson ISD	\$38.59	\$130.25	\$196.95	\$144.74	\$9.64	\$26.41

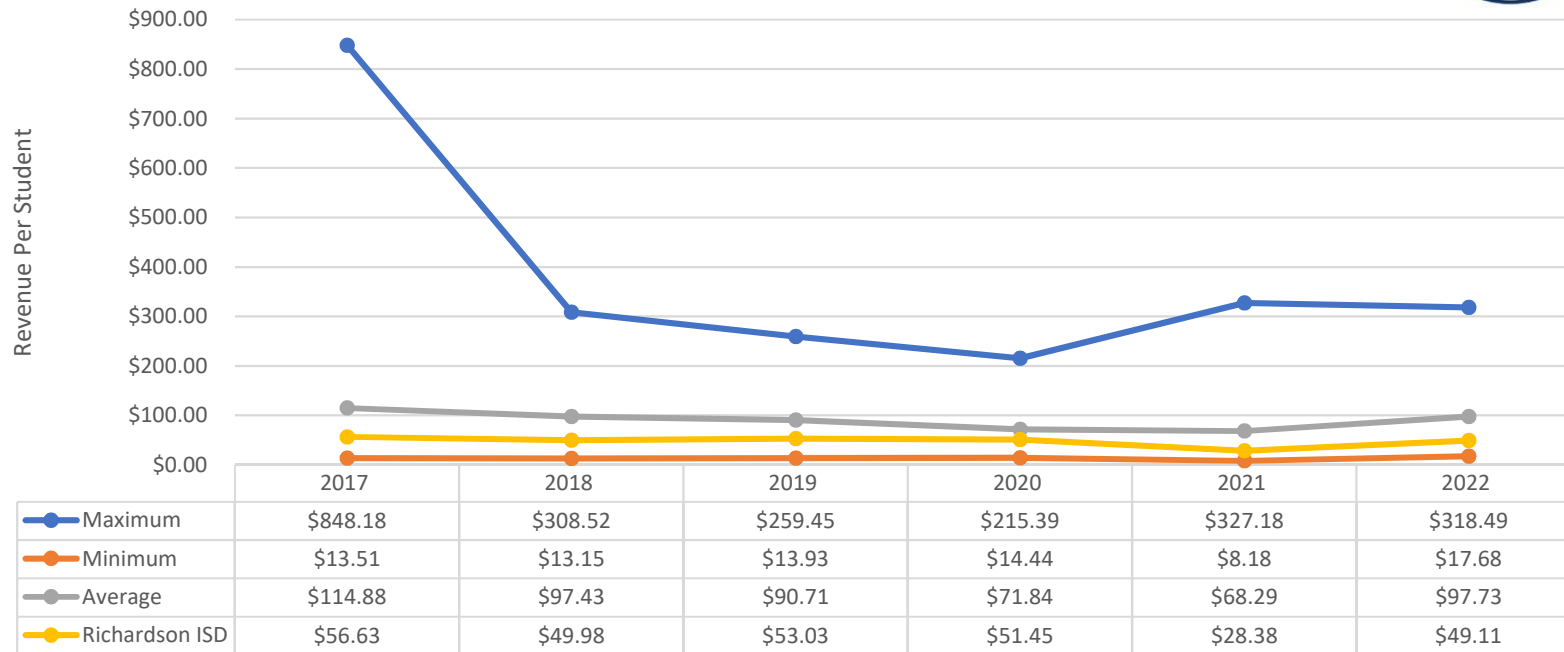
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# Other Revenues



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# Options to Increase Revenue

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# Options to Increase Revenue

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- Open enrollment to non-resident students
- Choice programming to encourage resident students to return
- Increase M&O tax rate by 3.17¢ through Voter Approval Tax Rate Election (VATRE)

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## Campus Capacity vs Enrollment 22-23

	Number of Campuses	Total Capacity	2022-2023 Enrollment	Excess Capacity	6 <sup>th</sup> Grade Enrollment 2022-23	Average Enrollment 2022-23	Average Campus Capacity
Elementary	40	30,210	20,856	9,354	2,682	521	755
Junior High	8	8,381	5,450	2,931		681	1,048
High School	4	13,493	10,400	3,093		2,600	3,373
Dobie Pre-K		726	397				
Christa McAuliffe Learning Center		250	140		7		

Note: Capacity based on classrooms used as a regular classroom.

Note: Spreadsheet with elementary details posted in August 22<sup>nd</sup> meeting resources.

## Campus Capacity vs Enrollment 22-23 - After Middle School Transformation

	Number of Campuses	Total Capacity	2022-2023 Enrollment	Excess Capacity	Average Enrollment 2022-23	Average Campus Capacity
Elementary	40	30,210	18,174	12,036	455	755
Middle School	8	12,000	8,132	3,868	1,017	1,500
High School	4	13,493	10,400	3,093	2,600	3,373
Dobie Pre-K		726	397			
McAuliffe Learning Center		250	140			

Note 1: Capacity based on classrooms used as a regular classroom.

Note 2: Link to middle school transformation information - <https://web.risd.org/middleschoolmodel/>

Note 3: Middle school capacity subject to change during planning for next bond election

# What is Open Enrollment?



- District offers district transfer opportunities to families outside the RISD attendance zones tuition free
- Currently available for
  - Students of RISD staff
  - Students in their senior year
- Seats are offered only when a campus is at less than 90% threshold to allow for zoned, neighborhood students to attend neighborhood school
- Campus capacity for increased enrollment
  - 2022-23 ~ 3,000 students based on Junior High and High School capacity
  - 2023-24 and beyond increasing
- Policy Change (stipulations for attendance, behavior, etc.)
- NO transportation provided

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# Open Enrollment to Non-Resident Students



Refined ADA	State and Local Revenue Net of Recapture	Revenue Increase
33,039.796 (Est. FY 23-24)	\$341,208,629	
33,040.796 (Base + 1)	\$341,216,048	\$7,419
33,139.796 (Base + 100)	\$341,950,508	\$741,879
33,289.796 (Base + 250)	\$343,063,326	\$1,854,697
34,539.796 (Base + 500)	\$344,918,203	\$3,709,574
34,039.796 (Base + 1,000)	\$348,627,417	\$7,418,788

NOTE: Calculation based on FY 23-24 actual using SB2 88<sup>th</sup> Legislature 2<sup>nd</sup> Called Session. Refined Average Daily Attendance increased as indicated. No changes were made in any special population counts. To the extent students have attributes generating additional funding the revenue increase would be larger.

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# Open Enrollment Implications



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Advantages	Areas of Consideration
Increase Revenue	Culture
Maximize enrollment	“Those kids”
Potential to preserve campus operations	Enrollment complexity
	Intra-District Transfer Priorities

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# Student Transfers Out 2022-2023



DISTRICT NAME	TRANSFER OUT
HARMONY PUBLIC SCHOOLS - NORTH TEXAS - 161807	747
DALLAS ISD - 057905	566
INTERNATIONAL LEADERSHIP OF TEXAS (ILTEXAS) - 057848	371
PIONEER TECHNOLOGY & ARTS ACADEMY - 057850	116
EVOLUTION ACADEMY CHARTER SCHOOL - 057834	115
PLANO ISD - 043910	88
TEXANS CAN ACADEMIES - 057804	85
HALLSVILLE ISD - 102904	81
RICHLAND COLLEGIATE HIGH SCHOOL - 057840	63
ROSCOE COLLEGIATE ISD - 177901	50
UPLIFT EDUCATION - 057803	49
TEXAS COLLEGE PREPARATORY ACADEMIES - 221801	41

Note: Complete list of districts with masked amounts included with meeting resources

Source: Texas Education Agency

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# Student Transfers Out 2022-2023



DISTRICT NAME	TRANSFER OUT
LEGACY PREPARATORY - 057846	32
WINFREE ACADEMY CHARTER SCHOOLS - 057828	32
KARNES CITY ISD - 128901	29
GARLAND ISD - 057909	23
HIGHLAND PARK ISD - 057911	21
WAXAHACHIE FAITH FAMILY ACADEMY - 070801	16
PREMIER HIGH SCHOOLS - 072801	14
GRAPEVINE-COLLEYVILLE ISD - 220906	11
LIFE SCHOOL - 057807	10
40 DISTRICTS LISTED - NO INDIVIDUAL QUANTITY PROVIDED DUE TO SMALL NUMBER	126
<b>TOTAL STUDENT TRANSFERS OUT</b>	<b>2,686</b>

Note: Complete list of districts with masked amounts included with meeting resources

Source: Texas Education Agency

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# What is the difference between Choice and Magnet?



Neighborhood	Magnet	Choice/Innovative Programming
<p>Traditional attendance boundary school based on area of residence.</p>	<p>Open enrollment inside school district; can include an academic requirement to attend OR talent/skill application, lottery-based enrollment system; transportation provided</p>	<p>Model A: Open enrollment, new startup school, no attendance boundary, priority-based enrollment per Board guidelines</p> <p>Model B: Open enrollment, 50/50 enrollment neighborhood/transfer; campus identified based on low neighborhood enrollment and seat capacity available</p>

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# Other Considerations for Choice Programming

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- Choice Programming Director
- Facility Upgrades
- Program costs (IB Primary Years Program, 2-way dual language, STEM/STEAM, single gender, etc.)

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# Voter Approval Tax Rate Election (VATRE)



- RISD voters approved a Tax Ratification Election in November 2018 increasing the Maintenance & Operations (M&O) tax rate from \$1.04 to \$1.17.
- The Texas Legislature passed HB3 in 2019 and began M&O tax rate compression.
- 2023-24 tax rate based on passage of SB2 of the 88<sup>th</sup> Legislature 2<sup>nd</sup> Called session.
- VATRE can only be held on November general election date
  - Earliest possible VATRE is November 5, 2024

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24*
M&O Tax Rate	\$1.17	\$1.06835	\$1.0547	\$1.0409	\$0.9646	\$0.7931
I&S Tax Rate	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35	\$0.35
Total Tax Rate	\$1.52	\$1.41835	\$1.4047	\$1.3909	\$1.3146	\$1.1431

\* Proposed tax rate for adoption on September 21, 2023

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# Voter Approval Tax Rate Election (VATRE)



- RISD can go to the voters only on the November General Election date in a VATRE to request the voters approve an increase in the Maintenance & Operations tax rate of a maximum of \$0.0317
- Required to have an efficiency study performed by external party
- Based on 23-24 data the passage of a \$0.0317 VATRE will provide the following estimated revenue increase:

M&O Only	\$0.7931	\$0.8248	Change
Tax Revenue	\$240,475,064	\$248,823,256	\$8,348,192
State Revenue	\$105,422,369	\$105,339,498	(\$82,871)
Recapture	(\$4,688,803)	(\$7,205,873)	(\$2,517,070)
Net Revenue	\$341,208,630	\$346,956,881	\$5,748,251

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# Processing Activity

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Brainstorming new Revenue Generation Ideas to Consider

- Post-It Notes – one idea per note
- Affinity Diagram – group similar ideas
- Share out
- Review Parking Lot Questions – anything outstanding?



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# Next Meeting

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# October 17<sup>th</sup> Meeting

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Helpful information includes:

- Location – Arzell Ball Center, Rooms 201 - 203
- Time – 6:00 p.m.
- Continue Sub-committee work
- <https://web.risd.org/home/community-budget-steering-committee/>
- Next Steps – Review minutes/ summaries from each committee to identify any ideas/ implications for additional revenue suggestions. Consider doing your own research before the next meeting on the ideas presented.

# THANK YOU!



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