

Spring Branch ISD
Board of Trustees
April 11, 2025
General Fund

			A	B	C	D
			Last Year	This Year	Next Year	2nd Next Year
	Audited SY 2021-2022 FY 2022 \$0.9998	Audited SY 2022-2023 FY 2023 \$0.9643	Audited SY 2023-2024 FY 2024 \$0.7744	Adjusted Bgt SY 2024-2025 FY 2025 \$0.7719	Estimated Bgt SY 2025-2026 FY 2026 \$0.7524	Estimated Bgt SY 2026-2027 FY 2027 \$0.7369
State Revenue:						
Tax Collections (Current and Delinquent)	\$ 339,354,541	\$ 352,181,847	\$ 286,457,916	\$ 286,680,910	\$ 294,807,807	\$ 302,998,033
State Funding	20,470,730	21,914,427	25,302,748	27,436,855	25,073,518	23,449,114
Recapture	(64,424,029)	(80,261,074)	(1,197,012)	(12,786,263)	(20,546,865)	(27,102,774)
Net State Revenue	295,401,242	293,835,200	310,563,652	301,331,502	299,334,460	299,344,373
Other Revenue:						
Penalty and Interest and Misc. Tax Rev	2,355,751	2,464,250	2,811,050	1,950,000	1,950,000	1,950,000
Other Local Revenue	5,996,856	11,151,343	13,444,664	10,329,318	10,329,318	10,329,318
Other State Revenue	89,381	412	-	-	-	-
Prior Year Funding and Recapture Adjust	(2,068,293)	1,909,390	(833,057)	-	-	-
TRS - State Contribution	17,805,349	19,072,956	20,167,888	20,450,000	20,859,000	21,276,180
Federal Revenue	17,391,847	18,099,284	9,416,596	8,660,000	8,660,000	8,660,000
Total Revenue	336,972,133	346,532,835	355,570,793	342,720,820	341,132,778	341,559,871
Expenditures:						
Payroll	290,596,619	299,785,460	312,671,359	307,751,074	313,906,095	320,184,217
Contracted Services/Supplies/Other Operating	35,283,061	35,341,748	52,495,585	56,743,830	57,878,707	59,036,281
Debt Service	506,150	726,146	823,489	-	-	-
Capital Outlay	1,705,127	1,836,344	5,630,804	1,363,394	1,390,662	1,418,475
Total Expenditures**	328,090,957	337,689,698	371,621,237	365,858,298	373,175,464	380,638,973
Other Sources (Uses)	1,482,656	858,106	1,482,704	50,000	50,000	50,000
Revenues Over(Under) Expenditures:	10,363,832	9,701,243	(14,567,740)	(23,087,478)	(31,992,686)	(39,029,102)
Ending Fund Balance	\$ 127,803,111	\$ 137,504,354	\$ 122,936,614	\$ 99,849,136	\$ 67,856,450	\$ 28,827,348
Less: Nonspendable	(4,645,535)	(4,622,632)	(3,989,341)	(3,989,341)	(3,989,341)	(3,989,341)
Ending Fund Balance (Assigned/Unassigned)	123,157,576	132,881,722	118,947,273	95,859,795	63,867,109	24,838,007
Fund Balance as a % of Expenditures (Exc. Recapture)	37.5%	39.4%	32.0%	26.2%	17.1%	6.5%

** Expenditures are not comparable year over year due to the use of ESSER funds.

Legislative Update

CSHB2 Highlights

- **Basic allotment:** \$6,555, with automatic increases based on estimate of dollars that would have been required to increase golden penny yield in future years
- Golden Penny Yield Permanently Frozen at \$129.52 (2024-25 level)
- Modification of ASAHE-Facilities to reduce it by any amount over state aid plus local collections for required debt service. Disincentivizes early defeasance.

Required Compensation Increases:

- BA Increase triggers: 40% (up from 30%) of year-over-year increase in Chapter 48 revenue for compensation increases; bill requires prioritization of teachers with 10+ years experience, then 5+ years experience.

CSHB2 Highlights

- Small/Mid Allotment Increases – drivers are:
 - BA
 - Increased Factors
- Special Education Allotment Overhaul – weights etc determined by Commissioner
- Special Education Initial Evaluation Allotment \$1,000 per evaluation
- Special Ed portion of Transportation allotment increased to \$1.13 (from \$1.08)
- Increases Bilingual Allotment weights by 0.02
- Comp Ed Allotment weights increased by 0.005
- Early Education Allotment expanded to include PK (from KG-3)





CSHB2 Highlights

- Insurance Aid for First Tier Coastal Counties or TDI 2024 Catastrophe Area
- If district administrative office or
- If majority of campuses are located in one these areas

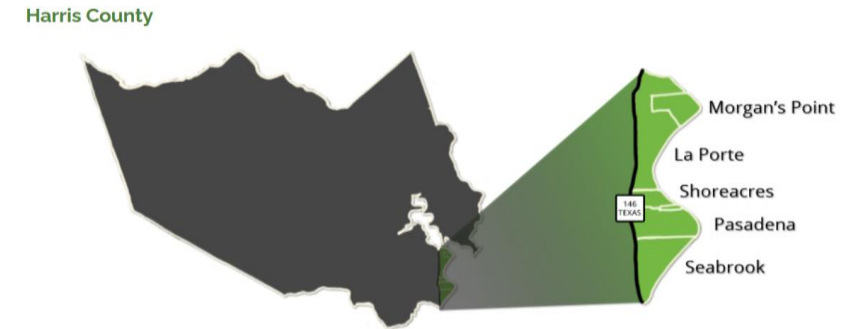
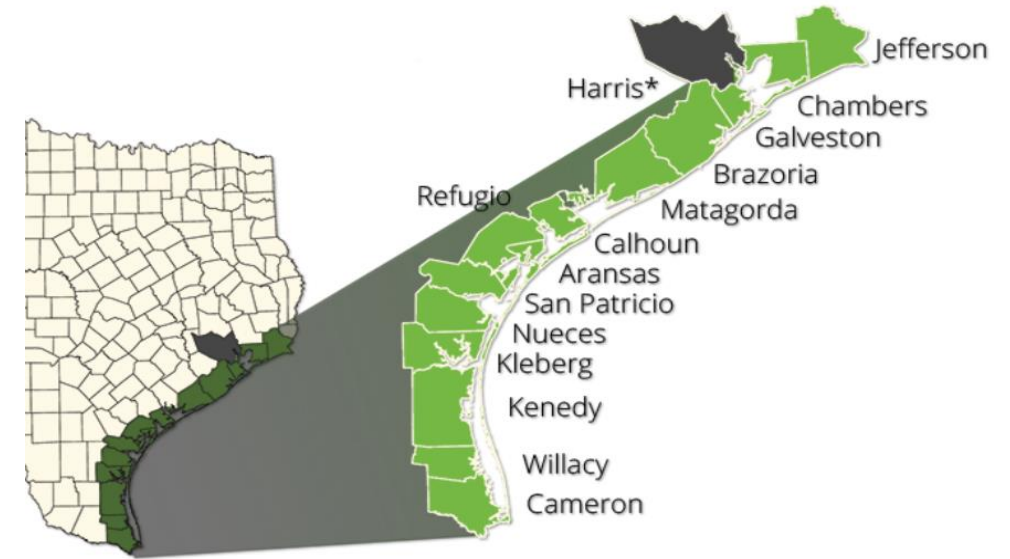
"First tier coastal county" means:

- (A) Aransas County;
- (B) Brazoria County;
- (C) Calhoun County;
- (D) Cameron County;
- (E) Chambers County;
- (F) Galveston County;
- (G) Jefferson County;
- (H) Kenedy County;
- (I) Kleberg County;
- (J) Matagorda County;
- (K) Nueces County;
- (L) Refugio County;
- (M) San Patricio County; or
- (N) Willacy County.



CSHB2 Highlights

- Insurance Aid for First Tier Coastal Counties or [TDI 2024 Catastrophe Area](#)
- If district administrative office or
- If majority of campuses are located in one these areas



These areas are in LaPorte ISD and Clear Creek ISD

CSHB2 Highlights

- Teacher Incentive Allotment:
 - higher ranges for existing designations (except nationally certified)
 - adds acknowledged designation
 - creates enhanced teacher incentive allotment district designation
- Fine Arts Allotment (limited to \$15 million per year statewide)
- ADSY: reduces days instruction required to 175 (from 180)
- ADA Decline Aid
- Aid for Districts Assigned State Value under PVS
- Creates Grow Your Own Partnership Program



CSHB2: Hold Harmless Provisions

Combined Hold Harmless:

- ASAHE M&O for \$40K to \$100K Homestead Exemption Increase
- Districts Affected by Compression
- Frozen Levy Adjustments

Minimum Gain Transition Aid: Amount = Difference between Actual Revenue & Target

- FY26 Target Amount: Old Law FY26 Total Revenue for Chapters 46, 48, & 49
(local I&S limited to EDA and IFA local shares)
+ \$200 multiplied by Old Law FY26 WADA
- FY27 Target: better of FY26 Target or FY27 Target
- FY28-FY31: Declining Percentages of FY27 Amount (0.80, 0.60, 0.40, 0.20)
- Expires 9/1/2031

School Finance

Senate Bill 26: Engrossed

- Biennial Cost: \$4.35b
- 5,000 students or less: \$5k / teacher for 3 to <5 years and \$10k / teacher for 5 or more years
- 5,001 and up: \$2,500 / teacher for 3 to < 5 years and \$5,500 per teacher for 5 or more years
- Increase in TIA funding
- State liability insurance for teachers

House Bill 2 Committee Substitute

- Biennial cost of \$7.7b (introduced)
- Detailed district report
- Voted out of House Public Education Committee on April 3



Supplemental 2024-2025 Biennium

Supplemental Appropriations: 2024-2025 Biennium

- [HB 500](#) by Bonnen – House Appropriations Committee
- \$934.5 million to address SHARS losses
- Where is it in the legislative process?



State Budget 2026-2027 Biennium

Senate passed its version on Tuesday March 25, 2025 (SB 1)

- Changes from Introduced Version

House committee deliberations continue (HB 1)

- Differences from Senate

Conference will begin after the House passes its version

- Typically concludes during the last week of the legislative session.

State Budget 2026-2027 Biennium

Senate (SB1) – as Passed by Senate 3/25

\$3.5 Billion – new property tax relief

- \$3.0 Billion – Increase Homestead Exemption to \$140,000
- \$500 Million – Tax Relief for Businesses

\$500 Million School Safety Allotment – SB 260 (*\$28 per ADA & \$30,000 per campus*)

\$4.9 Billion Public Education Funding

- \$4.4 Billion: increased teacher compensation – SB 26
- \$515 Million: teacher prep & support for early literacy & numeracy skills

Where is it in the legislative process?

State Budget 2026-2027 Biennium

House (HB1) – House Appropriations Committee Substitute

\$3.5 Billion – new property tax relief

- \$3.0 Billion – Increase Homestead Exemption to \$140,000
- \$500 Million – Tax Relief for Businesses

\$500 Million School Safety Allotment – SB 260 (*\$28 per ADA & \$30,000 per campus*)

\$4.9 Billion Public Education Funding

- \$4.4 Billion: increased teacher compensation – SB 26
- \$515 Million: teacher prep & support for early literacy & numeracy skills

Where is it in the legislative process?

State Budget 2026-2027 Biennium

TRS Active Care

Appropriation to keep premium increases to no more than 10%

Early Education

- House Bill 123 by Dutton and SB 2252 by Creighton
 - Substantial early education reform to include assessment, parent directed tutoring, and math academies for elementary and middle school teachers and other staff
 - Small increase in the early education allotment to pay for training
 - \$750 per student for students needing remediation to pay for tutoring (with clawback for students who are unsuccessful)
 - Weight of .2, scaling down over time, for students who participate in parent support programs

Special Education

- SB 568 by Bettencourt

1. Moves to an intensity of services-based formula for special education using yet-to-be defined weights and student groups
2. Requires annual board meetings on performance of students in special education
3. Creates an allotment of \$500 per prior-year initial evaluation
4. Reinstates autism and dyslexia grants
5. Creates a grant to support recruitment of special education staff

Similar provisions at slightly higher cost in introduced version of HB 2

Committee action pending

School Safety Allotment

- SB 260 by Huffman
 - Would increase the per campus portion to \$30,000 (from \$15,000) and the per ADA portion to \$28 (from \$10)
- HB 124 by Bonnen
 - Would increase the per campus portion to \$37,000 (from \$15,000) and the per student portion to \$14 (from \$10)

Bonds

- **TASBO tracking 58 bills related to bonds and bond elections**
- **House Bill 19 by Chairman Meyer appears to be a leadership bill on the House side**
 - Would include only the minimum amount of debt service to be paid in the calculation of the current debt tax rate, but early defeasance if the rate is calculated and proposed using both the minimum rate and the early defeasance amount. The motion must be adopted by 60 percent of the governing body.
 - Would eliminate the May election date for bond elections.
 - Would limit annual debt service to 20 percent of the average tax collections for the three preceding fiscal years and prohibit new debt issuance in excess of this amount.
 - Would require the allocation of bond proceeds according to the percentages stated on the ballot.

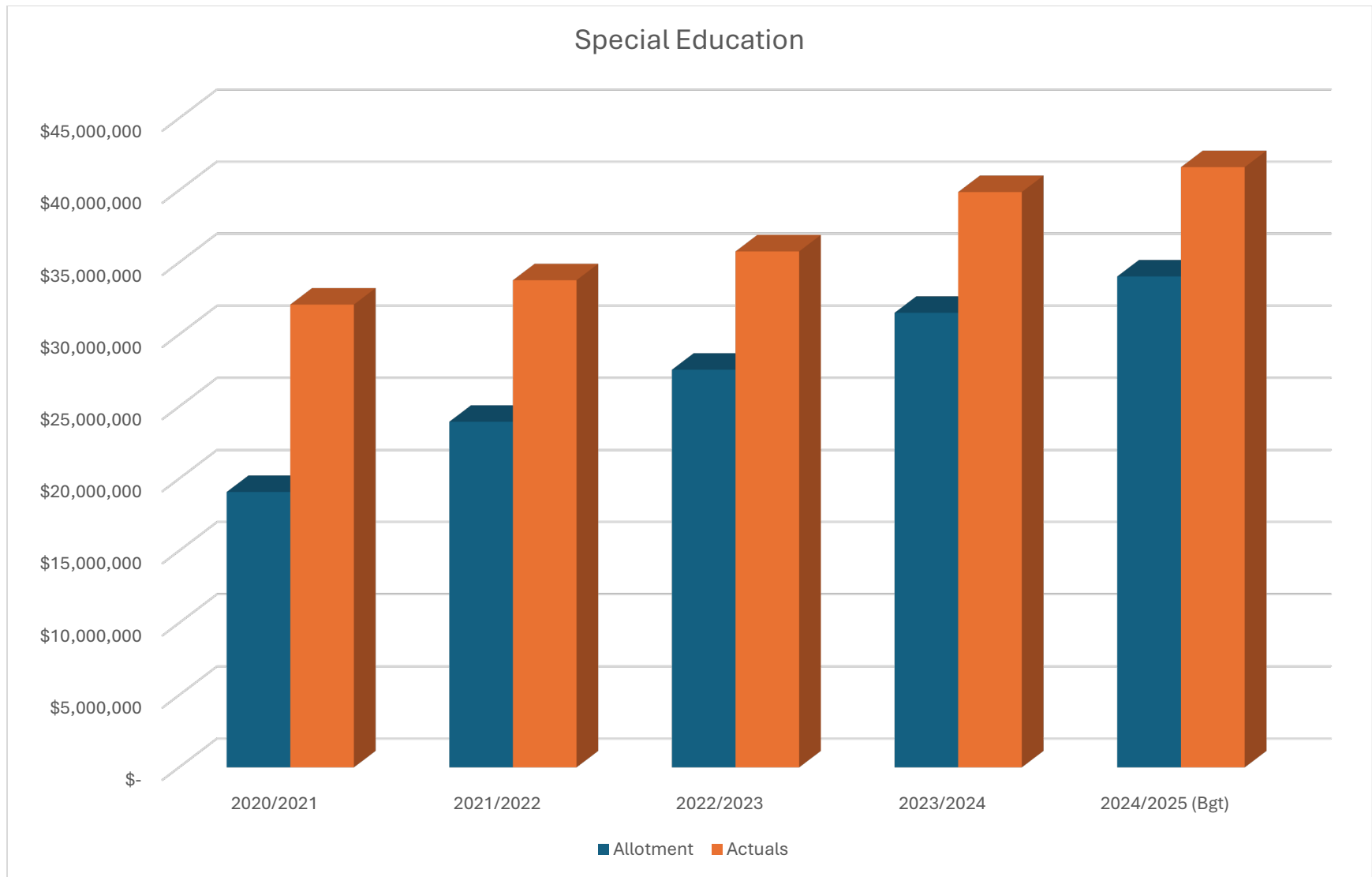
Bonds

- **Bills that have had a hearing:**

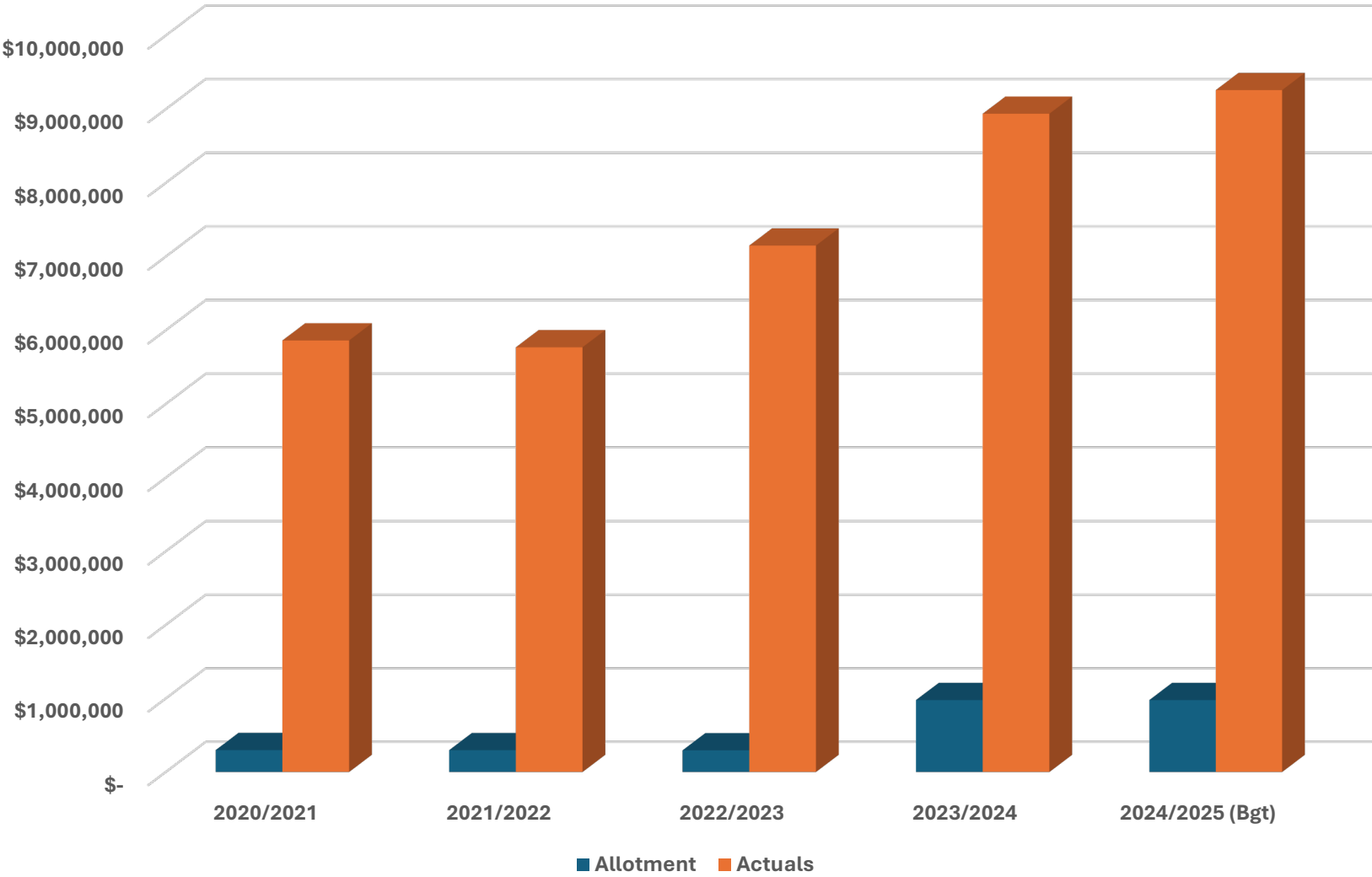
- **HB 103 by Troxclair** would require the comptroller, in coordination with the Bond Review Board, to develop and maintain a publicly available database with information regarding bonds, taxes, and bond-related projects.
- **HB 2207 by Bumgarner** would prohibit a political subdivision from submitting a bond proposition to voters if the political subdivision submitted a proposition for the same purpose within the preceding two years and the voters failed to approve the proposition.
- **SB 393 by Sparks** would prohibit a political subdivision, including a school district, from issuing a public security to purchase or lease tangible personal property if the property's expected useful life for calculating depreciation ends before the public security's maturity date.
- **SB 414 by Middleton** would require the ballot for a bond measure to include the estimated interest for the debt obligations to be authorized and the estimated combined principal and interest required to pay the debt obligations to be authorized.
- **SB 533 by Sparks** would require elections to approve bonds or a tax increase to be held on the November uniform election date.
- **SB 1209 by Hughes** would eliminate the May uniform election date leaving only the November uniform date.

ESAs

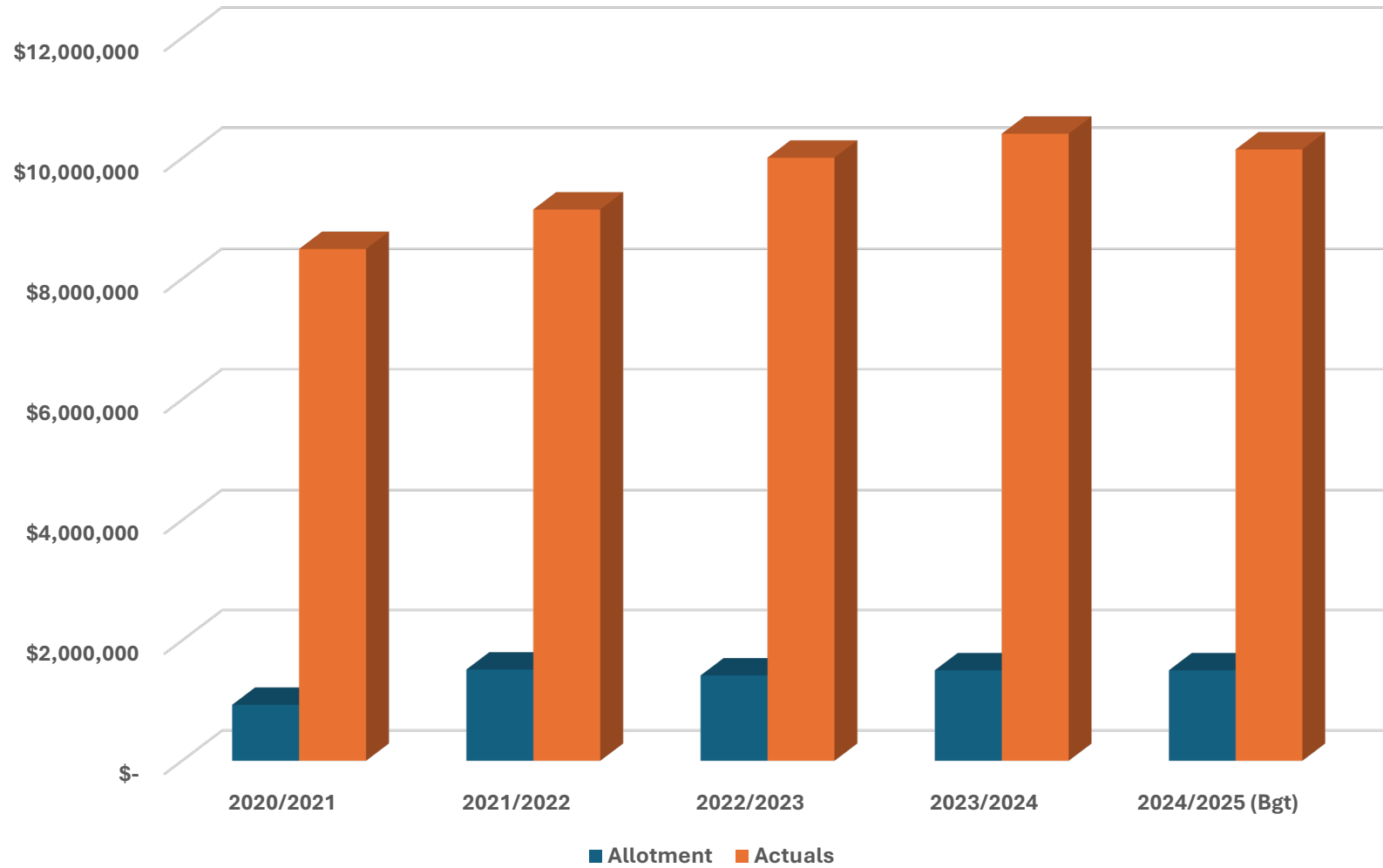
- House Committee to review Senate Bill 2
- Committee vote was expected April 1
- Committee vote occurred April 3



Safety/Security



Transportation





Questions?

SBISD Board of Trustees

April 11, 2025