CLEAR CREEK
INDEPENDENT SCHOOL DISTRICT

## PUBLIC HEARING

# 2026–2027 Budget and Tax Rate

CCISD Board Meeting · August 24, 2026

OVERVIEW

# What We'll Cover Tonight

1 **Budget Goals, Priorities and Challenges**

Board approved on May 18, 2026

2 **General Fund Proposed Budget**

Assumptions, enrollment and proposed budget

3 **Debt Service and Child Nutrition Budgets**

Proposed budgets

4 **Tax Rate**

Proposed rate and property values history

5 **Next Steps**

Remaining steps for budget approval and tax rate adoption

6 **Questions**

Open floor for questions

FY 2026–2027

# Budget Goal and Assumptions

***The 2026–2027 budget will further CCISD's mission and strategic plan with financial integrity, maximizing benefits from available resources.***

## THE BUDGET WILL

01

Manage resources efficiently and effectively — identifying ways to increase revenues and/or decrease expenditures to **return to a balanced budget by FY 2027–2028** .

02

Retain the 5% local homestead exemption and maximize eight enrichment pennies.

03

Incorporate expenditure reduction savings and revenue enhancements.

04

Use a realistic, defined Average Daily Attendance — assuming an enrollment loss of at least 1,000 students and the final 2025–26 attendance rate.

05

Maintain an adequate General Fund balance — two months in fund balance, as defined in board policy.

06

Maximize revenue through the sale of surplus property.

# Budget Priorities

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

- Optimal and targeted funding and staffing for improved student achievement, meeting Strategic Plan goals.
- Competitive salaries, stipends and benefits for all employees.
- Sufficient funding for the safe and secure schools' program, including student support and counseling services.
- Maximize state revenues through attendance initiatives and state funding opportunities.
- Implement initiatives that create enrollment growth opportunities.
- Leverage excess reserves in existing funds to meet current budget challenges.
- Review efficiencies in programs and human capital to achieve cost savings.
- Explore facility utilization efficiencies.
- Incorporate recommendations generated from the Superintendent's Strategic Budget Team.

WHAT WE ARE WATCHING

# Budget Challenges

- Enrollment or ADA below projections due to the unknown impact of Education Savings Accounts.
- Unknown impact of state funding formula changes from new Special Education intensity tiers.
- The HB2 funding model has shifted the timing and eligibility of compensation increases to the state.
- Rising cost of employee health benefits.
- An inadequate state funding model for providing a quality public education.
- Inflationary impact of fuel, property & casualty insurance and other commodities.
- Unfunded mandates from state legislation.
- Increased difficulty recruiting and retaining quality staff.
- Potential risk to the sustainability of current programs in future budget years.

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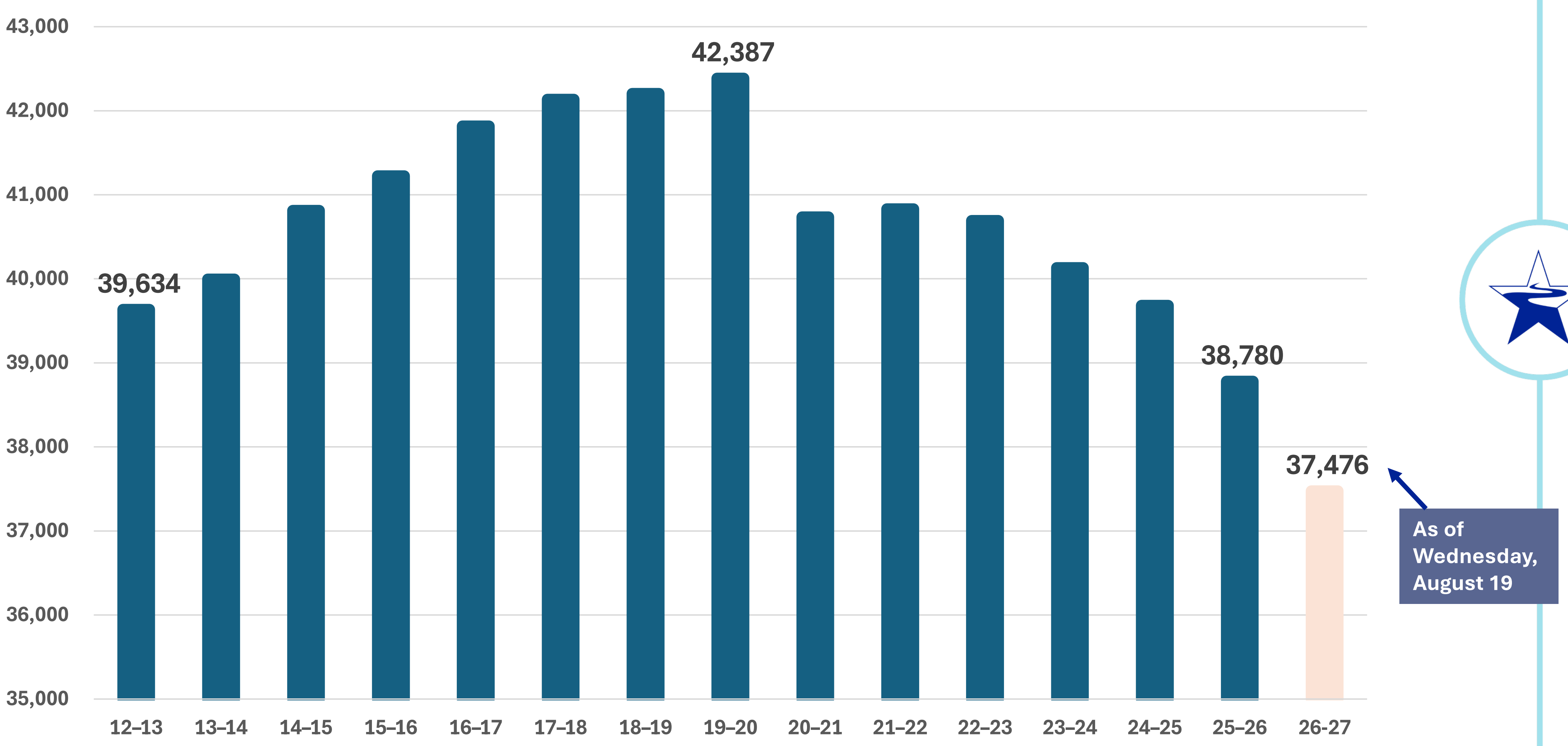
# General Fund

**GENERAL FUND**

# 2026–2027 Budget Assumptions

| ASSUMPTION | 2023–24 | 2024–25 | 2025–26 | 2026–27 PROPOSED |
|---|---|---|---|---|
| Enrollment | 40,132 | 39,684 | 38,780 | **37,718** |
| Attendance rate | 94.64% | 95.02% | 94.98% | **95.00%** |
| Property value change (certified) | −9.17% | 3.38% | −5.09% | **−1.73%** |
| Property value audit revenue | $3.3M | $0.0M | $8.6M | **$5.0M** |
| State aid for adjustment of limitation on tax increases — homestead of elderly or disabled | $7.8M | $7.3M | $2.7M | **$2.7M** |
| New state funding — special education intensity | — | — | — | **$1.8M** |
| Maintenance & Operations (M&O) rate | $0.6990 | $0.6990 | $0.6990 | **$0.6990** |
| Interest & Sinking (I&S) rate | $0.2700 | $0.2700 | $0.2700 | **$0.2700** |
| **Total tax rate** | **$0.9690** | **$0.9690** | **$0.9690** | **$0.9690** |
| Tax collection rate | 99.01% | 99.00% | 99.36% | **99.25%** |

# Student Enrollment History

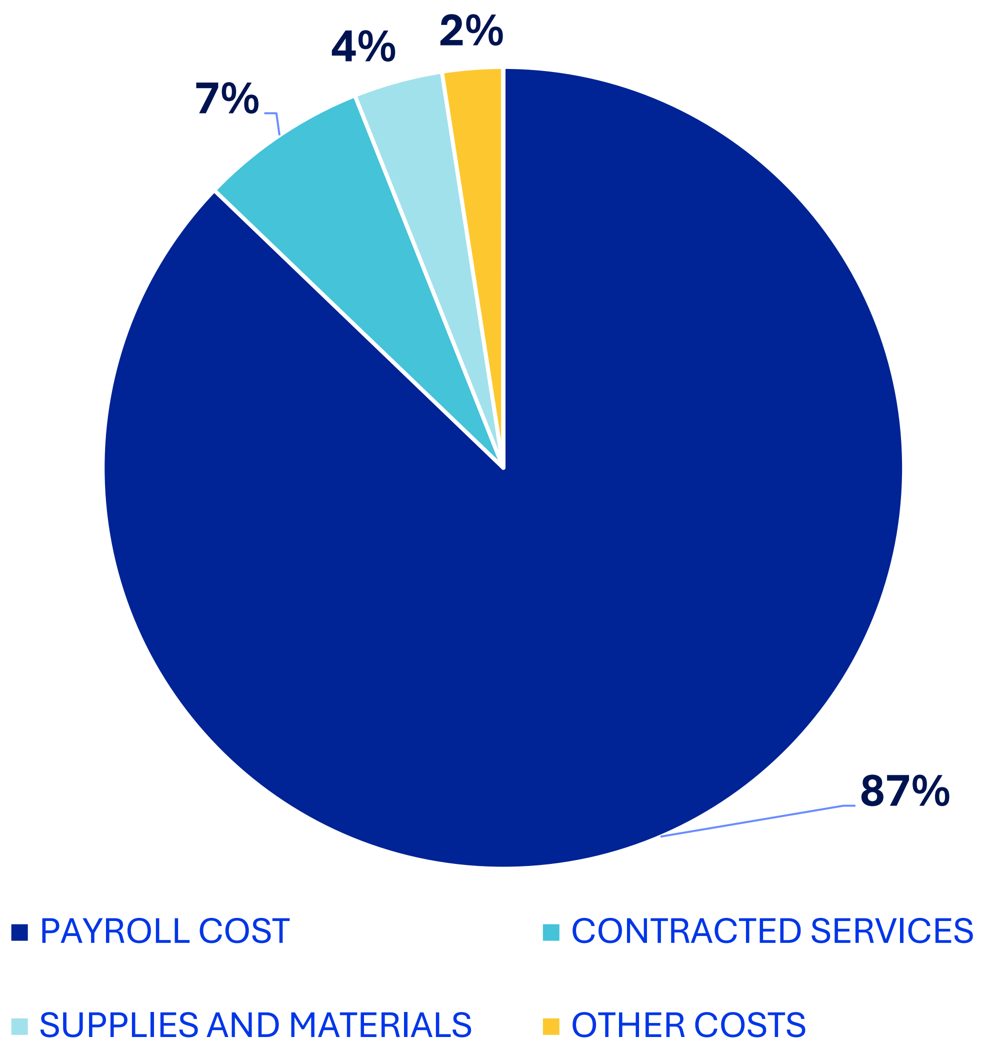


# General Fund

| | Budget | | Anticipated | | Proposed | |
|---|---|---|---|---|---|---|
| | 2025-2026 | | 2025-2026 | | 2026-2027 | |
| **Revenues:** | | | | | | |
| Local Sources | $ | 207,640,000 | $ | 212,680,497 | $ | 213,108,760 |
| State Sources | | 203,415,000 | | 197,788,408 | | 191,001,240 |
| Federal Sources | | 3,620,000 | | 2,590,000 | | 3,420,000 |
| Other Sources | | 2,125,000 | | 3,801,981 | | 2,050,000 |
| **Total Revenue** | **$** | **416,800,000** | **$** | **416,860,886** | **$** | **409,580,000** |
| | | | | | | |
| **Expenditures:** | | | | | | |
| Payroll Cost | $ | 375,234,484 | $ | 370,234,484 | $ | 376,924,033 |
| Contracted Services | | 27,914,242 | | 26,664,242 | | 29,331,840 |
| Supplies and Materials | | 15,370,708 | | 14,370,708 | | 15,526,449 |
| Other Costs | | 10,750,566 | | 9,500,566 | | 10,567,678 |
| Capital Outlay | | 30,000 | | 30,000 | | 30,000 |
| **Total Expenditures** | **$** | **429,300,000** | **$** | **420,800,000** | **$** | **432,380,000** |
| **Excess (deficiency) of revenues over expenditures** | **$** | **(12,500,000)** | **$** | **(3,939,114)** | **$** | **(22,800,000)** |
| Transfers From (To) Capital & Contingency | | - | $ | 3,939,114 | | - |
| Net change in fund balances | $ | (12,500,000) | $ | - | $ | (22,800,000) |
| **Ending Fund Balance-General Fund** | **$** | **90,476,003** | **$** | **102,976,003** | **$** | **80,176,003** |

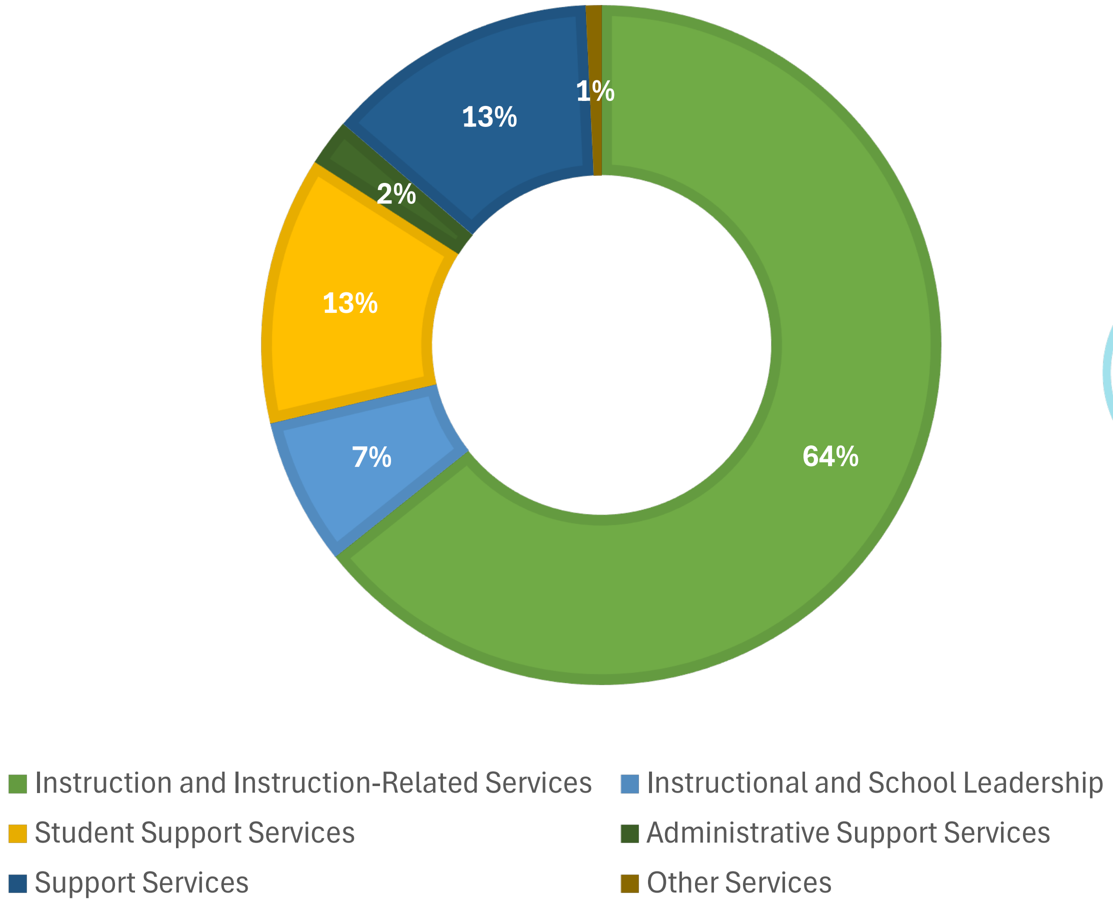
# 2026 -27 Proposed Budget by Category

| Category | Proposed |
| --- | --- |
| Payroll Cost | $376.9M |
| Contracted Services | $29.4M |
| Supplies and Materials | $15.5M |
| Other Costs | $10.6M |
| Totals | $432.4M |



# 2026 -27 Proposed Budget by Major Function

| Function | Functional Area | Proposed |
|---|---|---|
| 11, 12, 13 | Instruction and Instruction-Related Services | $278.0M |
| 21, 23 | Instructional and School Leadership | $30.3M |
| 31-36 | Student Support Services | $55.1M |
| 41 | Administrative Support Services | $9.6M |
| 51, 52, 53 | Support Services | $56.1M |
| 61-99 | Other Services | $3.3M |
| | Totals | $432.4M |



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# Debt Service and Child Nutrition Funds

CCISD Board Meeting · August 24, 2026

# Debt Service Fund

2026-27

I&S tax rate remains at 27¢

$1,093,530,000 in General Obligation Bond Principal outstanding at 8/31/26

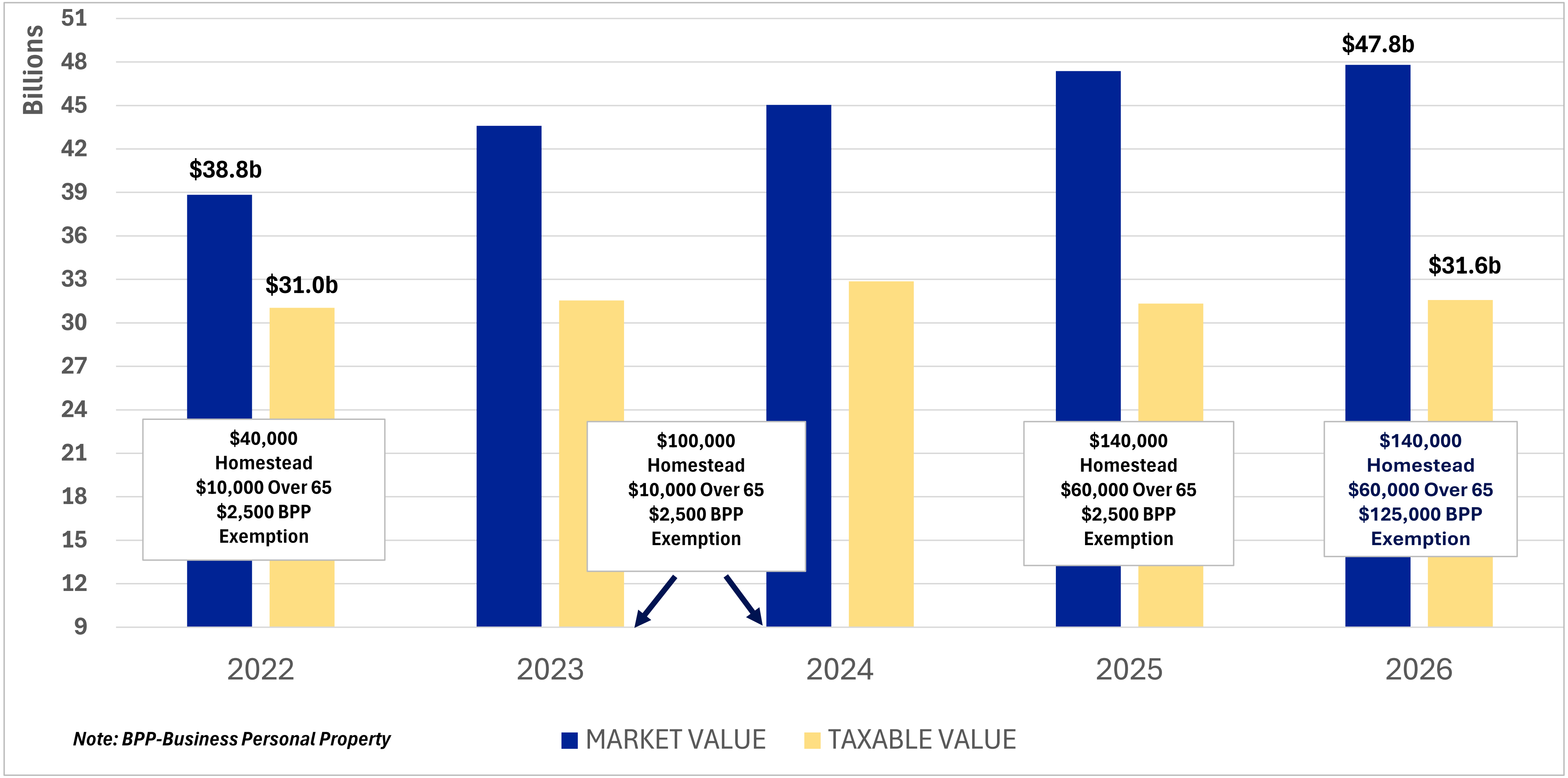
| | Budget 2025-2026 | Anticipated 2025-2026 | Proposed 2026-2027 |
|---|---|---|---|
| Revenues: | | | |
| Taxes, P&I | $ 77,760,000 | $ 78,650,000 | $ 78,900,000 |
| Interest | 1,600,000 | 2,000,000 | 1,600,000 |
| State | 19,000,000 | 22,618,117 | 22,900,000 |
| Total Revenue | **$ 98,360,000** | **$ 103,268,117** | **$ 103,400,000** |
| | | | |
| Expenditures: | | | |
| Principal & Interest | $ 109,869,622 | $ 109,869,622 | $ 110,906,156 |
| Fees | 80,378 | 70,000 | 93,844 |
| Total Expenditures | **$ 109,950,000** | **$ 109,939,622** | **$ 111,000,000** |
| Excess (deficiency) of revenues over expenditures | **$ (11,590,000)** | **$ (6,671,505)** | **$ (7,600,000)** |
| Ending Fund Balance | **$ 32,626,822** | **$ 37,545,317** | **$ 29,945,317** |
| **Reserve Policy-Minimum of 10% of Debt Payment** | | **34%** | **27%** |

# Child Nutrition Fund

| | Budget 2025-2026 | Proposed 2026-2027 |
|---|---|---|
| **Revenues:** | | |
| Local Sources | $ 12,652,000 | $ 12,480,000 |
| State Sources | 65,000 | 57,000 |
| Other Sources | 7,509,000 | 7,870,000 |
| **Total Revenue** | **$ 20,226,000** | **$ 20,407,000** |
| | | |
| **Expenditures:** | | |
| Payroll Cost | $ 7,992,000 | $ 7,930,000 |
| Contracted Services | 156,000 | 161,000 |
| Supplies and Materials | 11,372,000 | 11,435,000 |
| Other Costs | 706,000 | 881,000 |
| **Total Expenditures** | **$ 20,226,000** | **$ 20,407,000** |
| **Net change in position** | $ - | $ - |
| **Net Position-Ending** | **$ 12,413,686** | **$ 12,413,686** |

# Tax Rate

# Property Value Comparison by Year



# Comparison of Proposed Rates with Last Year's Rates

| | Last Year | This Year |
|---|---|---|
| Maximum Compressed Rate (MCR) | $0.6190 | **$0.6190** |
| Tier Two Pennies | $0.0800 | **$0.0800** |
| Maintenance & Operations Rate | $0.6990 | **$0.6990** |
| Interest & Sinking Rate | $0.2700 | **$0.2700** |
| Total Tax Rate | $0.9690 | **$0.9690** |

# Comparison of Proposed Levy with Last Year's Levy on Average Residence

| | Last Year | This Year |
|---|---|---|
| Average Market Value of Residences | $406,460 | $397,201 |
| Average Taxable Value of Residences | $220,697 | $214,115 |
| Last Year's Rate Versus Proposed Rate per $100 Value | $0.9690 | $0.9690 |
| Taxes Due on Average Residence | $2,138.55 | $2,074.77 |
| Increase (Decrease) in Taxes | | ($63.78) |

# School District Budget Requirements Met

School district budget requirements as established by Sections 44.002 through 44.006 of the Texas Education Code and the Texas Education Agency:

✓The district budget must be prepared each year by August 20 and adopted by August 31.

✓Hold a public meeting of the Board of Trustees, giving at least 10 days public notice in the newspaper, for the adoption of the district budget.

✓The district must post a summary of the proposed budget to its website. The budget must include the elements outlined in Section 44.0041, TEC.

✓Budgets for the General Fund, the Food Service Fund, and the Debt Service Fund must be included in the official district budget.

✓These budgets must be prepared and approved at least at the fund and function levels to comply with the state’s legal level of control mandates.

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# Next Steps

**AUGUST 24**

**Approve the 2026–2027 budget**

**SEPTEMBER 28**

**Adopt the 2026 tax rate**

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# Questions

A WORLD-CLASS EDUCATION FROM PRE-K TO CAREER