Weatherford Independent School District
2026-2027
Proposed Budget

The mission of the Weatherford ISD is to educate, engage, and empower all students in a safe and positive learning environment to discover and reach their greatest potential.

Budget Overview

Budget Development

Weatherford Independent School District (WISD) is committed to sound fiscal management grounded in prudent stewardship, accountability, and transparency. The District's annual budget development process reflects these principles by ensuring resources are managed responsibly and aligned with its mission, goals, and educational priorities.

Through comprehensive planning, careful analysis, and stakeholder engagement, WISD makes informed financial decisions designed to maximize educational outcomes and support the District's long-term objectives. This strategic approach benefits students, staff, and the community.

WISD's continued commitment to fiscal responsibility and educational excellence promotes long-term financial sustainability and provides the resources necessary for educators and students to thrive.

Revenues

Revenue estimates for the 2026–2027 budget are developed using realistic and conservative assumptions, considering current economic conditions, historical trends, and the potential volatility of individual revenue sources. State and local revenue projections reflect the school finance and property tax provisions currently in effect, including changes enacted during the 89th Texas Legislature.

Student enrollment and average daily attendance are primary factors in determining the amount of state funding earned by the District. Although Parker County continues to experience residential growth, that growth has not yet resulted in a corresponding increase in Weatherford ISD enrollment. Based on current enrollment trends, the District projects enrollment for 2026–2027 to remain relatively stable. Continued housing development may contribute to gradual enrollment growth over the next three to five years.

Revenue Projections:

Revenue projections are developed using established assumptions based on current information, historical trends, and applicable funding formulas. School district revenues are derived from three primary sources: local, state, and federal. Local revenues are generated primarily from property taxes, while state revenues are determined through the state's school finance formulas. Federal revenues include indirect cost recoveries from federal grants and reimbursements for School Health and Related Services (SHARS) provided to Medicaid-eligible students.

Local Revenue

Local revenue consists primarily of property tax collections and is driven by two key components:

- Tax Rates
- Taxable Property Values

History of Taxable Values and Tax Rates

In recent legislative sessions, the Texas Legislature has enacted measures to provide property tax relief to homeowners while maintaining school district funding through increased state contributions. These measures, primarily mandatory tax rate compression and increased homestead exemptions, have reduced taxable property values and shifted a greater share of public education funding from local taxpayers to the state. Although these changes reduce the property tax burden for homeowners, they also affect the composition of district revenues and may limit the District's flexibility in using certain state funds.

Timeline of Legislative Changes

- **2019 – 86th Texas Legislature (HB3)**
  - Reformed the school finance system and established mandatory compression of school district M&O tax rates.
  - Increased the state's share of public education funding to offset reductions in local tax collections.
  - Established a process under which Tier One tax rates generally decline as property values increase.
- **2021 – 87th Texas Legislature**
  - Proposed increasing the mandatory school district residence homestead exemption from $25,000 to $40,000.
  - Texas voters approved the increase in May 2022.
  - Provided additional state aid intended to protect school districts from certain revenue losses associated with the increased exemption.
- **2023 – 88th Texas Legislature, Regular Session**
  - Adjourned without significant changes to school district finances.
- **2023 – 88th Texas Legislature, 2nd Special Session (SB2)**
  - Provided an additional 10.7 cents of M&O tax-rate compression.
  - Increased the homestead exemption from $40,000 to $100,000 following voter approval.
  - Continued the shift of public education funding from local property taxes to state funding.
- **2025 – 89th Texas Legislature**
  - Increased the homestead exemption from $100,000 to $140,000 following voter approval.

- Continued the broader trend of reducing the property-tax burden on homeowners while increasing the state's share of school funding.

Tax Rates:

The local property tax rate consists of two components: **Maintenance and Operations (M&O)** and **Interest and Sinking (I&S).**

The M&O rate is divided into two tiers. **Tier 1**, also known as the Maximum Compressed Rate (MCR), is calculated by the Texas Education Agency (TEA) based primarily on changes in a district's taxable property values. House Bill 3 (HB3) established the formula for calculating both the state MCR and a district's local MCR, with districts assigned the lower of the two. HB3 also set a cap on the MCR at 90% of the state's MCR. If a district's local MCR falls below this cap, the district is assigned the calculated maximum compressed rate.

Tier 2, also known as the "enrichment rate", consists of tax effort above the District's MCR and may not exceed $0.17. Districts may adopt the first five enrichment pennies without voter approval. Additional enrichment pennies require voter approval unless they were previously authorized by voters and levied in the preceding tax year.

Weatherford ISD voters approved a Tax Ratification Election (TRE) in 2010 that increased the District's Tier 2 tax rate to the maximum $0.17. Following the implementation of HB 3, the District's 17 enrichment pennies were compressed to $0.1383. Because the maximum Tier 2 rate remains $0.17, the District retains the capacity to increase its Tier 2 M&O rate by as much as $0.0317 in the future, subject to applicable voter-approval requirements.

For the 2026-2027 budget year, we have calculated our local M&O tax rate as follows:

- ❑ Tier 1 Tax Rate is the lesser of the Local MCR or State MCR Subject to the Limitation:
  - ❑ Local MCR $.6169
  - ❑ State MCR $.6254
- ❑ Tier 1 Tax Rate - TEA assigned $ .6169
- ❑ Tier 2 Tax Rate - Voter Approved Enrichment <u>$ .1383</u>
- ❑ **Total M&O Tax Rate = $ .7552**

Historical Property Values and Tax Rates

	Tax Year	TAV	TAV Growth	M&O Tax Rate	I&S Tax Rate	Total Tax Rate	Enroll	ADA	TAV/ADA	Comptrollers Values	Change
Actual	2018	$ 4,505,190,222	9.78%	$1.1700	$0.2790	$1.4490	8,081	7,565	$ 595,531	$ 4,289,046,895	4.78%
Actual	2019	$ 5,178,270,582	14.94%	$1.0683	$0.2790	$1.3473	8,105	7,489	$ 691,450	$ 4,934,703,078	15.05%
Actual	2020	$ 5,447,560,537	5.20%	$1.0482	$0.2790	$1.3272	8,024	7,262	$ 750,146	$ 5,159,646,754	4.56%
Actual	2021	$ 6,215,989,817	14.11%	$0.9603	$0.2790	$1.2393	8,034	7,312	$ 850,108	$ 5,866,648,891	13.70%
Actual	2022	$ 6,572,234,731	5.73%	$0.9429	$0.2790	$1.2219	8,255	7,576	$ 867,476	$ 6,259,345,774	6.69%
Actual	2023	$ 7,758,205,120	18.05%	$0.7575	$0.2790	$1.0365	8,203	7,479	$ 1,037,358	$ 7,148,557,786	14.21%
Actual	2024	$ 8,235,528,802	6.15%	$0.7552	$0.2790	$1.0342	8,023	7,400	$ 1,112,876	$ 7,467,563,658	4.46%
Actual	2025	$ 8,226,516,420	-0.11%	$0.7552	$0.2790	$1.0342	8,153	7,494	$ 1,097,727	$ 7,439,558,278	-0.38%
Projected	2026	$ 8,414,302,912	2.28%	$0.7552	$0.1790	$0.9342	8,153	7,494	$ 1,122,784	$ 7,606,772,438	2.25%

Miscellaneous Local Revenue

Property tax revenue represents the largest share of local funding, accounting for approximately 57% of the District's total revenue budget. An additional 5%, or approximately $5.5 million, is generated from other local sources, including investment earnings, athletic gate receipts, advertising, facility rentals, shared services arrangements, donations, insurance recoveries, and community education programs.

Although these revenues represent a smaller portion of the overall budget, they provide valuable support for District operations, student programs, and community engagement while reducing reliance on property tax revenue.

State Revenue

State funding is determined primarily by average daily attendance (ADA), student enrollment, participation in weighted instructional programs, and other student, staffing, and operational factors. For 2026–2027, the District is projecting stable enrollment following declines during the previous three years. Although housing development continues within the District, enrollment projections remain conservative.

ADA remains below pre-pandemic levels, consistent with trends experienced by many school districts across Texas. Accordingly, state funding estimates are based on current attendance patterns. The District continues to experience growth in several special populations and programs, including Special Education, Dyslexia, Career and Technical Education (CTE), Bilingual Education, and Gifted and Talented Education.

House Bill 2, enacted by the 89th Texas Legislature, increased certain funding weights and established new or enhanced allotments for specific student populations, programs, and operational costs. Although these changes provide additional funding, a significant portion is restricted or designated for specific purposes, limiting the District's flexibility in allocating the additional revenue.

State revenue represents approximately 37% of the District's total revenue budget. Of this amount, approximately 86% is generated through the state's share of the Foundation School Program and other state funding formulas. The remaining 14%, or approximately $5.1 million, consists of non-formula revenue for state contributions made to the Teacher Retirement System of Texas on behalf of District employees.

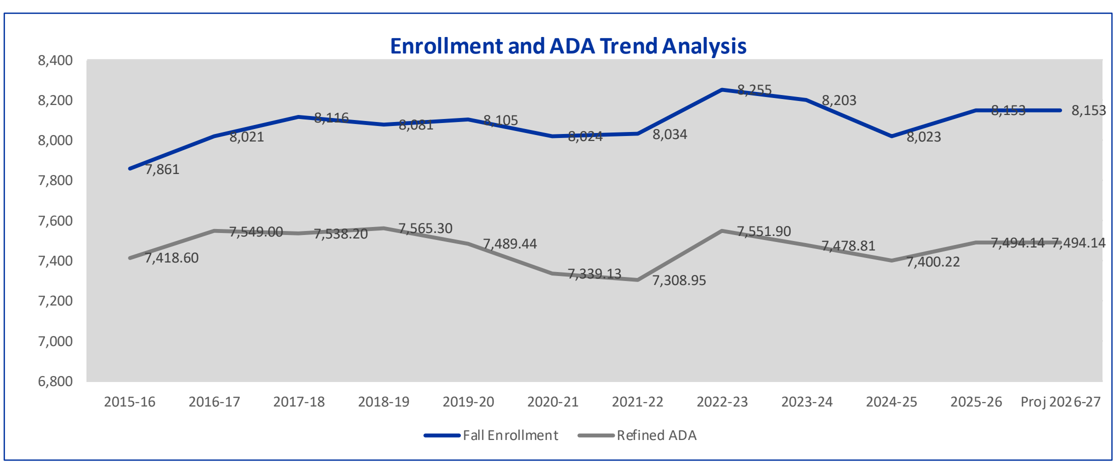
History of Enrollment and ADA

After reaching its highest level in 2022–2023, enrollment declined during the 2023–2024 and 2024–2025 school years. Enrollment increased slightly to 8,153 students in 2025–2026. For 2026–2027, the District is projecting enrollment to remain stable at 8,153 students. This conservative projection reflects recent enrollment trends and supports responsible, sustainable financial planning. It also allows the District to plan staffing, programs, and facilities appropriately while remaining responsive to changes during the year.

Average daily attendance (ADA) began declining in 2019–2020, followed by a notable decrease in 2020–2021. Although ADA improved in 2022–2023, it remains below pre-pandemic levels and has generally stabilized at a lower level. For 2026–2027, ADA is projected at 7,494.14, reflecting the District's current relationship between enrollment and attendance. Using a realistic ADA projection is essential because ADA is a significant factor in determining state funding.

Although continued housing development within the District may contribute to future enrollment growth, recent development has not yet resulted in a corresponding increase in student enrollment. The District will continue to monitor enrollment and attendance trends, work with campuses to identify and address attendance patterns, and align staffing and other resources with actual student participation.

Enrollment and ADA Trend Analysis



The other component of state funding is **TRS On-Behalf**, which represents contributions made by the state to the Teacher Retirement System of Texas (TRS) on behalf of eligible District employees. These contributions are recorded as equal revenue and expenditure amounts in the budget. Because the amounts offset one another, they do not affect the District's fund balance.

TRS On-Behalf contributions are calculated based on eligible employee payroll and applicable state contribution rates. Accordingly, the amount may fluctuate annually due to changes in salaries, staffing levels, employee eligibility, and state-established contribution rates.

Federal Revenues

Medicaid Administrative Claiming and SHARS Revenue

Federal revenue in the General Fund consists primarily of reimbursements generated through the Medicaid Administrative Claiming (MAC) and School Health and Related Services (SHARS) programs. MAC reimburses the District for eligible administrative activities that support access to Medicaid-covered services, while SHARS reimburses the District for eligible health-related services provided to Medicaid-enrolled students. During the past three years, significant program and reimbursement changes have affected the District's revenue from these sources.

For 2026–2027, uncertainty remains as the Texas Health and Human Services Commission (HHSC) continues implementing policy and reimbursement changes affecting program requirements, eligible services, and funding methodologies. Accordingly, the District has developed conservative MAC and SHARS revenue projections. These estimates will continue to be monitored and may require adjustment as additional guidance becomes available or program requirements change.

Indirect Cost Revenue

The General Fund also receives indirect cost reimbursements for administering eligible state and federal grant programs. Indirect costs represent the District's share of general administrative and operational expenses—such as accounting, payroll, purchasing, and utilities—that support grant-funded programs but cannot be readily identified with or charged directly to a specific grant.

The amount of indirect cost revenue received by the District varies each year based primarily on two factors:

1. **TEA-Approved Indirect Cost Rate** – The Texas Education Agency (TEA) annually establishes the District's indirect cost rates, which are applied to eligible grant expenditures in accordance with each grant's requirements and limitations.
2. **Volume of Eligible Grant Expenditures** – The amount of grant funding administered and expended by the District affects the potential amount of indirect cost reimbursement.

Because indirect cost rates, eligible expenditures, and grant-specific limitations may change annually, indirect cost reimbursement is not a fixed revenue source and may fluctuate from year to year.

2026-2027 General Operating Fund Revenue Summary

2026-2027 General Operating Fund			
	REVENUE		
5700	Local Revenue	$	63,340,093.00
5800	State Revenue	$	37,026,984.00
59/7900	Federal Programs/Other Resources	$	632,385.00
	Total Proposed Budgeted Revenue by Object		**$100,999,462**

Expenditures

Personnel Costs

School districts are labor-intensive organizations, making personnel costs the largest and most significant component of the budget. Evaluating staffing needs is therefore central to the District's annual budget development process. Personnel costs include salaries, employee benefits, and other related expenditures.

Student enrollment is a primary factor in determining the number of teachers, support staff, and administrators needed to operate the District effectively. As enrollment changes, staffing levels must be evaluated and adjusted to align resources with student needs.

Enrollment, however, is not the only consideration. The District provides specialized programs and services—including Career and Technical Education (CTE), Gifted and Talented Education, Special Education, Bilingual Education, and extracurricular activities—whose staffing needs are often driven by student participation rather than overall enrollment. These programs may have capacity limitations, require specialized certifications, or necessitate lower student-to-staff ratios to meet instructional, safety, and compliance requirements. As participation increases, additional personnel may be needed to maintain program quality and provide appropriate services to students.

For 2026–2027, additional staffing needs include the addition of a Director of Instructional Support and a Coordinator of Fine Arts. The budget also includes a 2.5% compensation increase approved by the Board of Trustees as part of the District's ongoing commitment to attracting and retaining qualified employees.

Payroll Allocations	2026-2027 Budget Allocation
Payroll	$ 81,178,082.00
Additional Positions & Adjustments	$ 277,569.00
Compensation Increase	$ 1,670,561.00
Total Payroll	**$ 83,126,212**

Operational Costs

Campus Based Budgets

Operational costs include non-payroll expenditures necessary to support the District's daily operations. These expenditures include allocations provided to campuses and departments for supplies, materials, contracted services, and other operating needs.

Campus allocations are determined based on each campus's projected student enrollment. Campuses use these annual allocations to support instructional needs and basic campus operations.

Campus Allocations	2026-2027 Budget Allocation	
Austin Elementary	$	45,730
Crockett Elementary	$	33,660
Curtis Elementary	$	52,360
Grizzard Regional Institute of Technology	$	25,000
Hall Middle School	$	123,900
Ikard Elementary	$	48,535
Martin Elementary	$	42,755
Ninth Grade Center	$	80,250
RISE Academy	$	7,500
Seguin Elementary	$	46,580
Tison Middle School	$	116,860
Weatherford High School	$	294,915
Wright Elementary	$	41,905
Total Campuses	**$**	**959,950**

Department Based Budgets

Department budget allocations are developed using historical funding levels as a baseline and are adjusted based on identified operational needs, anticipated cost savings, and additional one-time or recurring expenditures.

Department Allocations		2026-2027 Budget Allocation
Academics	$	282,679
Assessment	$	46,991
Athletics	$	406,877
Behavior Intervention	$	53,865
Bridge	$	7,825
Business Services	$	59,850
Career Technology	$	317,662
College Career, Military Readiness	$	58,155
Communications	$	94,327
Community Ed	$	189,607
Compensatory Education	$	383,613
Curriculum & Instruction	$	67,307
Custodial	$	217,214
District Budget	$	11,628,972
Dual Language	$	74,555
Health Services	$	12,927
Human Resources	$	31,002
Maintenance	$	1,352,950
Safety & Security	$	107,163
Secondary C&I	$	67,698
Special Programs	$	318,937
Student Services	$	34,015
Superintendent	$	148,607
Technology	$	722,055
Transportation	$	225,238
Total Departments	**$**	**16,910,091**

2026-2027 General Operating Fund Expenditure Summary by Function		
11 Instruction & Instr. Related Services	$	57,646,306
12 Instructional Resources & Media Services	$	964,036
13 Curriculum & Instr. Staff Development	$	1,685,005
21 Instructional Leadership	$	918,310
23 School Leadership	$	4,955,475
31 Guidance, Counseling & Evaluation Services	$	4,201,416
32 Social Work Services	$	66,234
33 Health Services	$	1,279,843
34 Student (Pupil) Transportation	$	3,917,209
35 Food Service	$	1,500
36 Co curricular/Extracurricular Activities	$	2,733,512
41 General Administration	$	3,406,642
51 Plant Maintenance and Operations	$	12,385,861
52 Security & Monitoring Services	$	1,603,851
53 Data Processing Services	$	1,578,148
61 Community Services	$	959,135
71 Debt Service	$	97,950
81 Facilities Acquisition & Construction	$	-
91 Contracted Instruction Services - Chapter 41	$	1,311,158
93 Shared Services Arrangement	$	175,000
99 Other Governmental Charges	$	60,088
00 Other Uses	$	1,049,574
Total Proposed Budgeted Expenditures by Function	**$**	**100,996,253**

2026-2027 General Operating Fund Expenditure Summary by Object		
Payroll	$	83,126,212
Contracted Svcs	$	8,739,470
Supplies & Equipment	$	4,936,601
Miscellaneous	$	3,740,128
Debt	$	97,950
Capital Outlay	$	355,892
Total Proposed Budget	**$**	**100,996,253**

Interest and Sinking Fund

The Interest and Sinking (I&S) Fund budget is developed to meet the District's annual obligations on voter-approved debt. Most I&S revenue is generated through local property taxes based on the adopted debt service tax rate. The rate is established at a level sufficient to meet annual debt service requirements, provide opportunities to redeem eligible debt early when financially advantageous, and maintain a fund balance of at least 20% of annual debt service requirements. The District also receives a limited amount of additional state aid related to increases in the mandatory homestead exemption.

In 2026–2027, the District will continue implementing the debt-reduction strategy established in its 2021 debt management plan. This strategy is intended to reduce the burden on taxpayers by lowering outstanding debt and interest costs while preserving capacity for future capital projects. During the past decade, the District has achieved taxpayer savings through debt refundings, early principal payments, and avoided interest costs. With relatively few bonds remaining eligible for refunding or early redemption, the District is nearing completion of this debt-reduction strategy, and future opportunities for additional savings are becoming increasingly limited.

2026-2027 Interest & Sinking Fund Revenue Summary

2026-2027 Interest & Sinking Fund			
	REVENUE		
5700	Local Revenue	$	13,913,603
5800	State Revenue	$	2,200,000
59/7900	Federal Programs/Other Resources	$	-
	Total Proposed Budgeted Revenue by Object	**$**	**16,113,603**

2026-2027 Interest & Sinking Fund
Expenditure Summary by Function

11 Instruction & Instr. Related Services	$	-
12 Instructional Resources & Media Services	$	-
13 Curriculum & Instr. Staff Development	$	-
21 Instructional Leadership	$	-
23 School Leadership	$	-
31 Guidance, Counseling & Evaluation Services	$	-
32 Social Work Services	$	-
33 Health Services	$	-
34 Student (Pupil) Transportation	$	-
35 Food Service	$	-
36 Co curricular/Extracurricular Activities	$	-
41 General Administration	$	-
51 Plant Maintenance and Operations	$	-
52 Security & Monitoring Services	$	-
53 Data Processing Services	$	-
61 Community Services	$	-
71 Debt Service	$	16,275,000
81 Facilities Acquisition & Construction	$	-
91 Contracted Instruction Services - Chapter 41	$	-
93 Shared Services Arrangement	$	-
99 Other Governmental Charges	$	-
00 Other Uses	$	-
Total Proposed Budgeted Expenditures by Function	**$**	**16,275,000**

Child Nutrition Fund

The Child Nutrition Fund, also referred to as the Food Service Fund, is the third major fund formally adopted by the Board of Trustees each year. Like the General Fund, it receives revenue from local, state, and federal sources.

- **Local revenue** is generated primarily through the sale of student and staff meals, à la carte items, and catering services.
- **State revenue** consists primarily of a limited state matching contribution for the National School Lunch Program.
- **Federal revenue** represents the Fund's largest revenue source and includes reimbursements through the National School Lunch Program and School Breakfast Program, as well as the value of USDA Foods received by the District. Reimbursements are based primarily on the number and eligibility category of qualifying meals served. The District also provides summer meals through the Seamless Summer Option, which allows school meal programs to continue serving eligible children when school is not in session.

In recent years, the District has strategically used available Child Nutrition Fund resources to replace aging food-service equipment, including major commercial kitchen appliances requiring replacement. For 2026–2027, the Fund's projected balance is within applicable state and federal requirements.

Although inflation continues to increase the cost of food, supplies, equipment, and storage, the Fund remains financially stable. Increased federal reimbursements and temporary Supply Chain Assistance grants received in recent years have helped offset rising costs and support continued food-service operations.

2025-2026 Child Nutrition Fund Revenue Summary

2026-2027 Child Nutrition Fund			
	REVENUE		
5700	Local Revenue	$	989,000
5800	State Revenue	$	60,000
59/7900	Federal Programs/Other Resources	$	2,821,029
	Total Proposed Budgeted Revenue by Object	**$**	**3,870,029**

2025-2026 Child Nutrition Fund Expenditure Summary

2026-2027 Child Nutrition Fund Expenditure Summary by Function		
11 Instruction & Instr. Related Services	$	-
12 Instructional Resources & Media Services	$	-
13 Curriculum & Instr. Staff Development	$	-
21 Instructional Leadership	$	-
23 School Leadership	$	-
31 Guidance, Counseling & Evaluation Services	$	-
32 Social Work Services	$	-
33 Health Services	$	-
34 Student (Pupil) Transportation	$	-
35 Food Service	$	3,844,592
36 Co curricular/Extracurricular Activities	$	-
41 General Administration	$	-
51 Plant Maintenance and Operations	$	-
52 Security & Monitoring Services	$	-
53 Data Processing Services	$	-
61 Community Services	$	-
71 Debt Service	$	2,500
81 Facilities Acquisition & Construction	$	-
91 Contracted Instruction Services - Chapter 41	$	-
93 Shared Services Arrangement	$	-
99 Other Governmental Charges	$	-
00 Other Uses		
Total Proposed Budgeted Expenditures by Function	**$**	**3,847,092**

2026-2027 Child Nutrition Fund Expenditure Summary by Object		
Payroll	$	2,078,758
Contracted Svcs	$	32,000
Supplies & Equipment	$	1,722,409
Miscellaneous	$	11,425
Debt	$	2,500
Capital Outlay	$	-
Total Proposed Budget	**$**	**3,847,092**

Budget Summary

Weatherford Independent School District Proposed Budgets - All Funds Fiscal Year 2026-2027 August 24, 2026	General Fund	I & S Service Fund	Child Nutrition Fund	Total Proposed Budgets
REVENUE				
5700 Local Revenue	63,340,093	13,913,603	989,000	78,242,696
5800 State Revenue	37,026,984	2,200,000	60,000	39,286,984
59/7900 Federal Programs/Other Resources	632,385	0	2,821,029	3,453,414
Total Budgeted Revenue	**$100,999,462**	**$16,113,603**	**$3,870,029**	**$120,983,094**
EXPENDITURES				
11 Instruction & Instr. Related Services	57,646,306	0	0	57,646,306
12 Instructional Resources & Media Services	964,036	0	0	964,036
13 Curriculum & Instr. Staff Development	1,685,005	0	0	1,685,005
21 Instructional Leadership	918,310	0	0	918,310
23 School Leadership	4,955,475	0	0	4,955,475
31 Guidance, Counseling & Evaluation Services	4,201,416	0	0	4,201,416
32 Social Work Services	66,234	0	0	66,234
33 Health Services	1,279,843	0	0	1,279,843
34 Student (Pupil) Transportation	3,917,209	0	0	3,917,209
35 Food Service	1,500	0	3,844,592	3,846,092
36 Co curricular/Extracurricular Activities	2,733,512	0	0	2,733,512
41 General Administration	3,406,642	0	0	3,406,642
51 Plant Maintenance and Operations	12,385,861	0	0	12,385,861
52 Security & Monitoring Services	1,603,851	0	0	1,603,851
53 Data Processing Services	1,578,148	0	0	1,578,148
61 Community Services	959,135	0	0	959,135
71 Debt Service	97,950	16,275,000	2,500	16,375,450
81 Facilities Acquisition & Construction	0	0	0	0
91 Contracted Instruction Services - Chapter 41	1,311,158	0	0	1,311,158
93 Shared Services Arrangement	175,000	0	0	175,000
99 Other Governmental Charges	60,088	0	0	60,088
00 Other Uses	1,049,574	0		1,049,574
Total Budgeted Expenditures	**$100,996,253**	**$16,275,000**	**$3,847,092**	**$121,118,345**
Excess Revenue over (Under) Expenditures	**3,209**	**(161,397)**	**22,937**	**(135,251)**

WEATHERFORD ISD

ROOTED IN EXCELLENCE

Rooted in Excellence,
Strengthening Our Future