

Lewisville ISD

FY 26 Property Taxes, Tax Compression, General Operating Budget (M&O), and Compensation

June 2, 2025



Overview

- CAD Estimated Value
- Tax Compression
- FY 26 Forecast
- Compensation Considerations



Estimated Property Value



April Property Value

April Net Taxable Value:

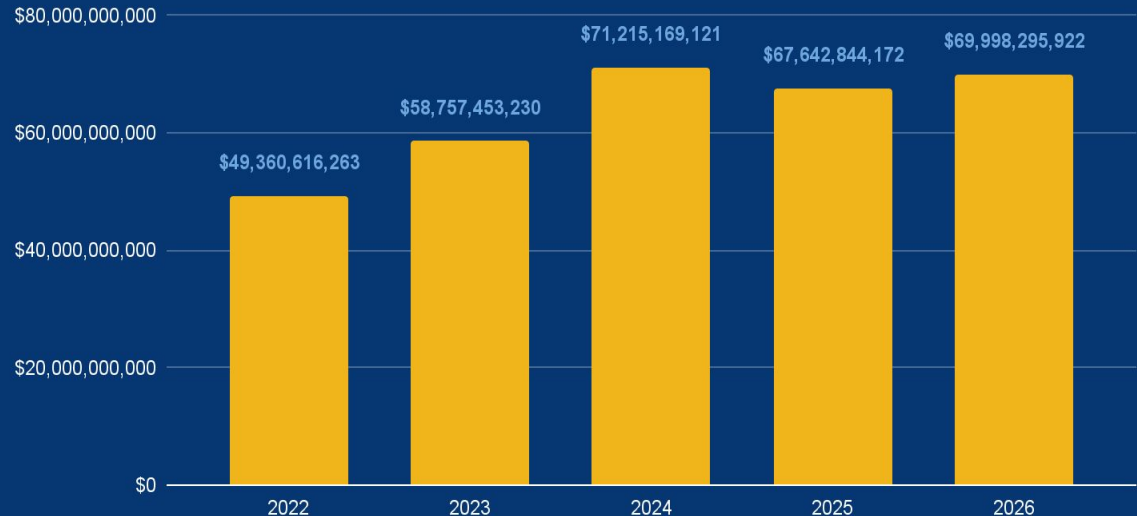
DCAD: \$ 69,402,696,949

TCAD: \$ 595,598,973

Total LISD Estimated Value:

\$69,998,295,922

April Preliminary Taxable Value



The April preliminary values from 2024 were with a \$40k Homestead Exemption. The exemption was then increased to \$100k, thus the large decline in preliminary values from 2024 to 2025.

Certified Value Projection

	2023 Tax Year FY 24	2024 Tax Year FY 25	2025 Tax Year FY 26
April Preliminary Value	\$71,215,169,121	\$67,642,844,172	\$69,998,295,922
Certified Value	\$58,636,530,631	\$61,532,239,411	\$63,677,449,800
% Certified to April	82.34%	90.97%	90.97%

- Using 90.97% of April value to project Certified Value for FY 26
- Projected Certified Value is a 3.5% increase from the previous year

T2 Value Projection

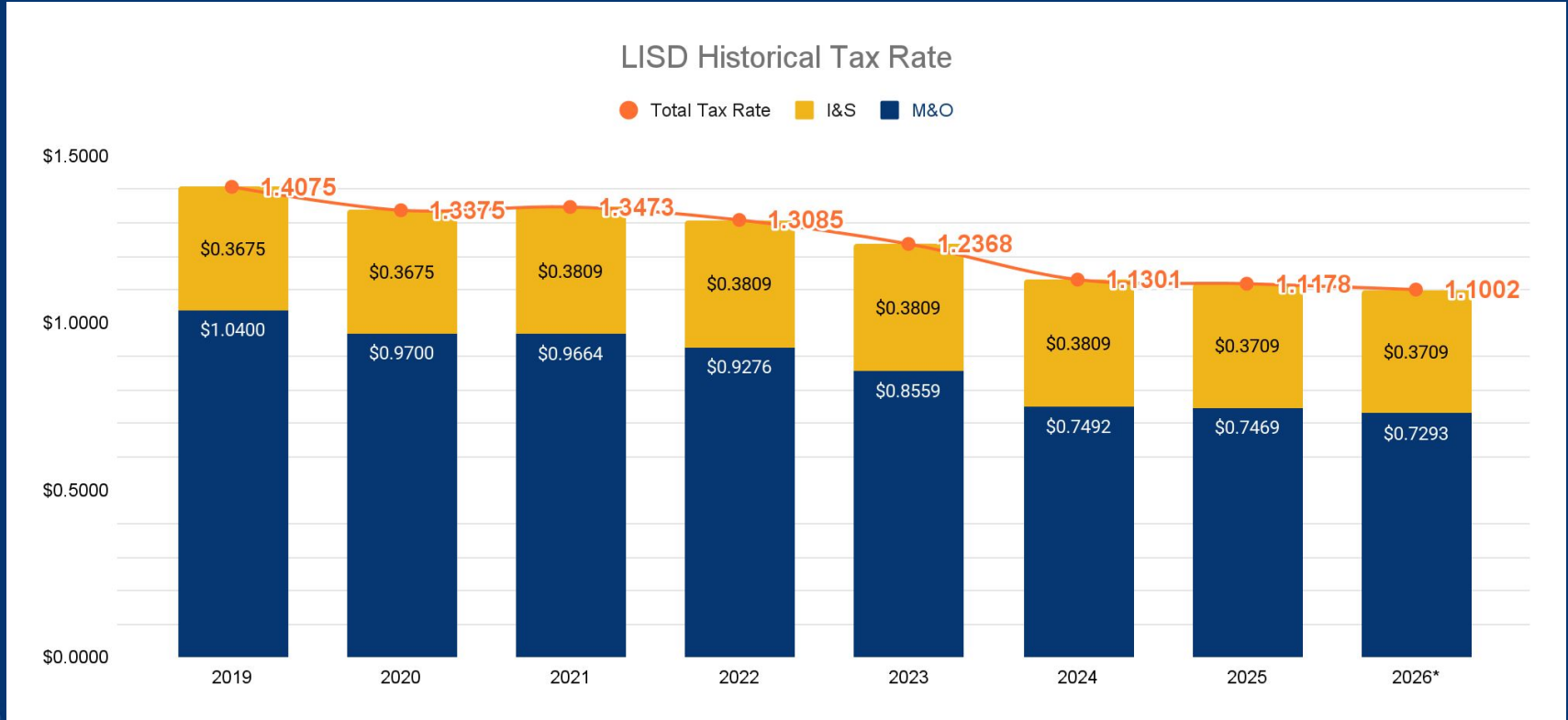
	2023 Tax Year FY 24	2024 Tax Year FY 25	2025 Tax Year FY 26
Certified Value	\$58,636,530,631	\$61,532,239,411	\$63,677,449,800
T2 Value	\$54,427,470,282	\$57,037,455,452	\$59,066,252,199
% T2 to Certified	92.82%	92.70%	92.76%

The average T2 to Certified % used in calculating the T2 value for the FY 26 Budget is 92.76% (2023 and 2024)

Estimated FY 26 Tax Rate



LISD Tax Rate History



*Projected compression of 1.76 cents

FY 26 Budget Forecast Considerations



Things to Consider for Next Year

- Will continue to have a declining enrollment
- Compensation increases to remain competitive
- Legislative session funding changes
- Revenue/Reduction Opportunities
- Our T2 Value for FY 26 could be higher depending on the results from the pending correction of the T2 value for FY 25. The higher the T2 value the less state share of our funding.



FY 26 Revenue Assumptions



**Enrollment
Projection**
2025-26: 46,402



Estimated ADA
2025-26: 43,815



Property Values -
T2: 59,066,252,199



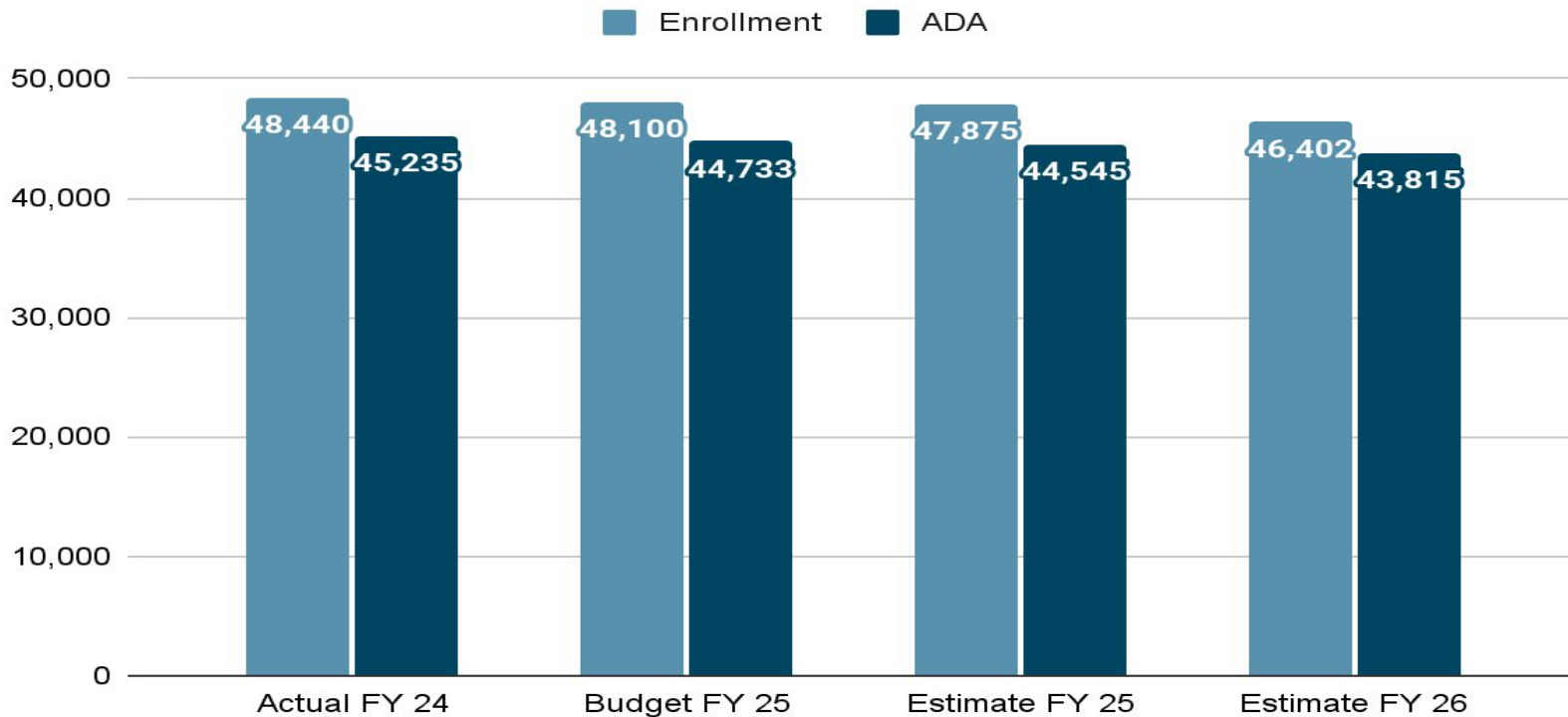
M&O Tax Rate
2025-26: \$0.7293
99% Collections



I&S Tax Rate
2025-26: \$0.3709
99% Collections



Declining Enrollment and ADA



Current Law: Funding Impact of Declining Enrollment and Projected Property Value

	FY 25 Adopted	FY 26 Estimated	Funding Difference
Enrollment	48,100	46,402	
ADA	44,733	43,815	
State Funding	\$73,659,940	\$57,662,111	(\$15,997,829)
Recapture	(\$12,879,209)	(\$14,386,069)	(\$1,506,860)



Expenditure Assumptions for FY26



Recapture

Budget: \$14.3 M



Payroll

Budget: \$450.5M

Budget: Fill Rate 98%



Non Payroll

Budget: \$88.4M

- Right Sizing Campus Staffing Based on Enrollment Decline
- Central Office Reductions
 - Move Subs and Transportation from Contracted to Payroll



Funding and Expenditure Comparison

- The following M&O funding and expenditures per student comparison is from 2023–24 PEIMS Actual Financial Reports from TEA as compiled by Mesirow



**Twenty-Five Largest Texas Public Schools
2023/24 Enrollment**

Rank	School District	Enrollment
1.)	Houston ISD	183,603
2.)	Dallas ISD	139,096
3.)	Cypress-Fairbanks ISD	118,187
4.)	Northside ISD	100,600
5.)	Katy ISD	94,589
6.)	Fort Bend ISD	80,034
7.)	IDEA Public Schools	76,819
8.)	Austin ISD	72,739
9.)	Conroe ISD	71,729
10.)	Fort Worth ISD	70,903
—	Peer Average	70,883
11.)	Frisco ISD	66,551
12.)	Aldine ISD	57,737
13.)	North East ISD	57,199
14.)	Arlington ISD	54,713
15.)	Klein ISD	52,927
16.)	Garland ISD	51,513
17.)	El Paso ISD	49,050
18.)	Lewisville ISD	48,356
19.)	Humble ISD	48,267
20.)	Plano ISD	47,753
21.)	Pasadena ISD	47,425
22.)	Socorro ISD	47,204
23.)	Round Rock ISD	46,042
24.)	San Antonio ISD	44,635
25.)	Lamar CISD	44,395

**Twenty-Five Largest Texas Public Schools
M&O Funding Per Student**

Rank	School District	Per Student
1.)	Dallas ISD	\$11,213
2.)	Idea Public Schools	\$11,094
3.)	Fort Worth ISD	\$10,565
4.)	Aldine ISD	\$10,561
5.)	Pasadena ISD	\$10,559
6.)	San Antonio ISD	\$10,495
7.)	Austin ISD	\$10,201
8.)	Arlington ISD	\$10,173
9.)	El Paso ISD	\$10,014
10.)	Lewisville ISD	\$9,975
11.)	Katy ISD	\$9,915
12.)	Humble ISD	\$9,851
13.)	Houston ISD	\$9,777
—	Peer Average	\$9,703
14.)	Plano ISD	\$9,629
15.)	Fort Bend ISD	\$9,431
16.)	Lamar CISD	\$9,264
17.)	Socorro ISD	\$9,195
18.)	Frisco ISD	\$9,146
19.)	Garland ISD	\$9,042
20.)	Northside ISD	\$8,920
21.)	North East ISD	\$8,889
22.)	Klein ISD	\$8,867
23.)	Conroe ISD	\$8,795
24.)	Round Rock ISD	\$8,779
25.)	Cypress-Fairbanks ISD	\$8,227



Twenty-Five Largest Texas Public Schools
Student Instruction

Rank	School District	Per Student
1.)	Katy ISD	\$7,012
2.)	Austin ISD	\$6,910
3.)	Lewisville ISD	\$6,678
4.)	Fort Worth ISD	\$6,659
5.)	Arlington ISD	\$6,584
6.)	Plano ISD	\$6,568
7.)	Dallas ISD	\$6,502
8.)	Aldine ISD	\$6,457
9.)	Pasadena ISD	\$6,349
10.)	Humble ISD	\$6,315
11.)	Klein ISD	\$6,304
12.)	Socorro ISD	\$6,289
—	Peer Average	\$6,260
13.)	Frisco ISD	\$6,238
14.)	Northside ISD	\$6,231
15.)	North East ISD	\$6,228
16.)	San Antonio ISD	\$6,224
17.)	Cypress-Fairbanks ISD	\$6,197
18.)	Garland ISD	\$6,186
19.)	Round Rock ISD	\$6,159
20.)	El Paso ISD	\$6,155
21.)	Houston ISD	\$6,016
22.)	Lamar CISD	\$5,970
23.)	Conroe ISD	\$5,943
24.)	Fort Bend ISD	\$5,819
25.)	IDEA Public Schools	\$4,515

Twenty-Five Largest Texas Public Schools
Guidance & Counseling Services

Rank	School District	Per Student
1.)	Fort Worth ISD	\$648
2.)	Klein ISD	\$625
3.)	Humble ISD	\$597
4.)	Arlington ISD	\$573
5.)	Lewisville ISD	\$562
6.)	Aldine ISD	\$555
7.)	Austin ISD	\$552
8.)	Pasadena ISD	\$551
9.)	Plano ISD	\$538
10.)	Fort Bend ISD	\$528
11.)	Garland ISD	\$511
12.)	El Paso ISD	\$495
13.)	Dallas ISD	\$481
14.)	Katy ISD	\$477
15.)	Round Rock ISD	\$471
—	Peer Average	\$459
16.)	Northside ISD	\$455
17.)	Frisco ISD	\$444
18.)	North East ISD	\$374
19.)	Conroe ISD	\$362
20.)	Houston ISD	\$352
21.)	Lamar CISD	\$339
22.)	Socorro ISD	\$308
23.)	IDEA Public Schools	\$299
24.)	Cypress-Fairbanks ISD	\$212
25.)	San Antonio ISD	\$174



**Twenty-Five Largest Texas Public Schools
School Leadership**

Rank	School District	Per Student
1.)	Houston ISD	\$1,169
2.)	San Antonio ISD	\$1,021
3.)	IDEA Public Schools	\$1,018
4.)	Pasadena ISD	\$920
5.)	Austin ISD	\$863
6.)	Dallas ISD	\$852
7.)	Aldine ISD	\$804
8.)	El Paso ISD	\$777
9.)	Fort Worth ISD	\$748
—	Peer Average	\$737
10.)	Round Rock ISD	\$725
11.)	Lewisville ISD	\$716
12.)	North East ISD	\$690
13.)	Garland ISD	\$673
14.)	Socorro ISD	\$660
15.)	Klein ISD	\$660
16.)	Humble ISD	\$643
17.)	Arlington ISD	\$634
18.)	Conroe ISD	\$633
19.)	Plano ISD	\$633
20.)	Fort Bend ISD	\$625
21.)	Katy ISD	\$606
22.)	Frisco ISD	\$604
23.)	Northside ISD	\$601
24.)	Lamar CISD	\$601
25.)	Cypress-Fairbanks ISD	\$540

**Twenty-Five Largest Texas Public Schools
General Administration**

Rank	School District	Per Student
1.)	San Antonio ISD	\$401
2.)	Dallas ISD	\$400
3.)	Austin ISD	\$389
4.)	IDEA Public Schools	\$371
5.)	Garland ISD	\$348
6.)	Aldine ISD	\$333
7.)	Fort Worth ISD	\$308
8.)	El Paso ISD	\$304
9.)	Arlington ISD	\$292
10.)	Pasadena ISD	\$292
11.)	Humble ISD	\$291
12.)	Houston ISD	\$284
—	Peer Average	\$278
13.)	Plano ISD	\$277
14.)	Socorro ISD	\$276
15.)	Round Rock ISD	\$259
16.)	Frisco ISD	\$255
17.)	Fort Bend ISD	\$251
18.)	North East ISD	\$241
19.)	Klein ISD	\$231
20.)	Lamar CISD	\$227
21.)	Lewisville ISD	\$216
22.)	Katy ISD	\$202
23.)	Cypress-Fairbanks ISD	\$173
24.)	Conroe ISD	\$170
25.)	Northside ISD	\$161



Projected Beginning FY 26 Deficit Under Current Law

FY 25 Budget Deficit	(\$4,510,664)
State Funding Loss Due to Decline in Enrollment and Increase in Property Value	(\$15,997,829)
Reduction to SHARS Revenue	(\$1,000,000)
Reduction to Interest Revenue	(\$1,000,000)
Increase to Recapture Payment	(\$1,506,860)
Increase to Set Up Transportation Budget	(\$2,116,059)
Increase to Set Up Substitute Budget	(\$100,000)
Increase in Property Tax Collections	\$1,692,264
Projected Beginning FY 26 Deficit	(\$24,539,148)



Latest HB2 Funding Projections

	TASBO	MoakCasey*
ADA	43,883.91	43,898.07
Property Value (T2)	\$60,870,667,606	\$57,810,580,652
Property Value Growth	5.5%	0.2%
M&O Tax Rate	\$0.7262	\$0.7469
Net Increase in Funding	\$29,358,388	\$23,823,422

*MoakCasey projection includes the impact of SB 4 (increase of homestead exemption from \$100k to \$140k) and SB 23 (increase of 65+/disabled homestead exemption from \$10k to \$60k) which reduces T2 value and property tax collections)



HB 2 Details

As amended on the Senate floor, HB 2 provides \$8.5 billion in new funding to public schools including:

- \$4.2 billion for teacher compensation through a teacher retention allotment that provides \$2,500 for teachers with 3-4 years of experience and \$5,000 for teachers with 5+ years of experience (\$14.0 million increase)
- \$500 million for non-administrative staff pay raises provided through a \$45 per student in ADA for teachers not eligible for the retention allotment, counselors, librarians, nurses, teacher assistants, custodians, food service staff, bus drivers, administrative assistants and other support staff (\$1.7 million increase)
- \$1.3 billion for a new fixed cost allotment provided on a \$106 per enrollment student basis to help pay for utilities, transportation, fees for hiring retired teachers, health insurance premiums and other employee benefits (\$5.0 million increase)



HB 2 Details

As amended on the Senate floor, HB 2 provides \$8.5 billion in new funding to public schools including:

- \$677 million for early learning programs (\$770k increase in funding)
- \$430 million in additional school safety funding to increase the per-student allotment from \$10 to \$20 and to increase the per-campus allotment from \$15,000 to \$33,540 (\$1.5 million increase)
- \$850 million increase for special education to include a move to an intensity-based model of funding (\$3.0 million increase)
- \$153 million for career and technical education (\$250k increase)



Salary Increase Scenarios

Category	Increase Cost	Number Employees	Average Inc per Empl	% Increase
<i>New Hire Teachers (unkown years) Used Budget amount of 10 years = \$5,000</i>				
Teacher Year 1 and 2	\$ 466,271	224	\$ 2,082	3% mid
Teacher year 3 and 4	\$ 762,500	305	\$ 2,500	4.00%
Teacher year 5+	\$ 14,880,000	2976	\$ 5,000	7.50%
Nurse Year 1 and 2	\$ 8,280	5	\$ 1,656	3% mid
Nurse year 3 and 4	\$ 3,750	2	\$ 1,875	3% mid
Nurse 5+	\$ 124,992	63	\$ 1,984	3% mid
Librarian 5+	\$ 123,952	61	\$ 2,032	3% mid
Counselor	\$ 388,414	176	\$ 2,207	3% mid
Itenerant	\$ 450,179	211	\$ 2,134	3% mid
Administrator Pay grades 650 and higher	\$ 963,644	324	\$ 2,974	3% mid
Other Pay Grades AP640 and below	\$ 222,255	98	\$ 2,268	3% mid
Technology	\$ 236,774	105	\$ 2,255	3% mid
Para	\$ 1,144,892	1388	\$ 825	3% mid
AUX	\$ 315,595	260	\$ 1,214	3% mid
Grand Total	\$ 20,091,497	6679	\$ 3,008	
State Reimbursement	\$ 15,642,500			
District Cost	\$ 4,448,997			
Food Service paid by Child Nutrition Fund	\$ 368,497	481	\$ 766	3% mid



Market Adjustments Needed

- With putting the salary study on hold in previous years due to lack of increase in the Basic Allotment, we have not brought forward any market adjustments in the last couple of years.
- We have 12 pay grades that are below 90% of the market that need review
- We have 10 pay grades that are between 90% to 96% of the market that need review
- The vast majority of our other pay grades are between 97% to 104% of the market



Potential FY 26 Deficit

Projected Beginning FY 26 Deficit	(\$24,539,148)
Budget Reductions	\$11,480,000
Deficit After Reductions	(\$13,059,148)
HB2 Raise for Teachers	(\$15,642,500)
3% Raise for All Other Staff	(\$4,448,997)
Additional Benefits due to Raises	(\$2,273,405)
Projected Deficit w/out Legislature Help	(\$35,424,050)
HB2 Teacher Retention Allotment	\$15,642,500
HB2 Support Staff Retention Allotment	\$1,685,003
HB2 Other Funding	\$8,104,006
Potential FY 26 Deficit	(\$9,992,541)



Recall: Program and Budget Review Board Committee Recommendations

For the 2025-26 school year:

- Staff HS campuses at the higher class size ranges on the staffing analyzer
- Adjust 5th grade class size in staffing analyzer from 24.5:1 to 25:1
- Implement changes to HS Library Aide Staffing Model
- Implement changes to staffing for District Level Social Workers and Behavior Interventionists
- Reduce parent notes for excusing absences from 10 to 5
- Increase cost of VLA courses beginning in Summer 2026
- Implement changes to Permanent Sub staffing models
- Already in progress - taking substitute staffing in-house

The committee recommended for further study to determine possible changes for the 2026-27 year:

- HS Counselor staffing model and ratios
- HS Fine Arts and Athletic staffing models





REMINDER: 2025–2026 SY TRS: Benefits Update

Any potential changes to TRS rates will not be determined until the TRS Board Meeting, which currently scheduled for June 3, 2025.

REVIEW: Total Spent On Health Insurance Contributions

Employee Only – \$326/\$358

Employee + Children – \$372

Employee + Spouse – \$388

Family – \$393

2020-21	2021-22	2022-23	2023-24	2024-25 (YTD)
\$18,703,139	\$18,343,703	\$17,720,798	\$17,256,394	\$15,397,164

*Numbers based on 65% of LISD employees who utilize LISD Benefits.

Benefits Offerings for all LISD Employees

- Employee Assistance Program:
 - counseling appointments, bereavement/grief hotline, financial, legal and estate support
- Vaccination Clinics – district paid flu shots
- \$15,000 District Paid Employee Life Insurance Policy
- Hardship Leave Benefit
- Bereavement Leave Benefit
- Donated Days Benefit
- Mental Wellness Video Library
 - Depression/Anxiety, Suicide Awareness, Grief & Loss, Stress Management, Addiction
- One-on-One Retirement Planning Meetings with TCG
- Annual TRS Group Retirement information Session
- Annual Baby Shower for Maternity Leave Information
- On-site Campus Leave Information sessions



Recall: Information about Sub System 2025–26 School Year

We have estimated we can raise the pay for subs and increase the fill rate to 81% for a budget of \$5.5M.

The budget numbers brought forward this evening include a \$5.5M budget and would provide for the following sub pay rates we would bring forward in the Compensation Plan on June 9th:



Proposed Sub Pay Rates for 2025–26 School Year

	ESS Rate	2024-2025 Sub Pay	Hourly Rate/8	2025-2026	Hourly Rate/8	
NonDegreed	\$136.40	\$110.00	\$13.75	\$110.00	\$13.75	
Degreed	\$142.60	\$115.00	\$14.38	\$115.00	\$14.38	
TX Certified	\$155.00	\$125.00	\$15.63	\$130.00	\$16.25	
Former LISD	\$179.80	\$145.00	\$18.13	\$145.00	\$18.13	
Former LISD Cert*	\$179.80	\$145.00	\$18.13	\$155.00	\$19.38	
Long Term Degreed	\$148.80	\$120.00	\$15.00	\$130.00	\$16.25	
Long Term Certified	\$173.60	\$140.00	\$17.50	\$165.00	\$20.63	
AVG	\$159.43	\$128.57	\$16.07	\$135.71	\$16.96	

Next Steps on FY 26 Budget Forecast

- Bring forward compensation plan for action on June 9th based on direction from the Board
- Update with Certified Values in July
- Submit Local Property Value Survey and Receive MCR from TEA for tax rate adoption



Discussion

