



MOAKCASEY™

PROVEN LEADERS ADVANCING TEXAS SCHOOLS

1

Financial Health Indicators

Prepared For:

2025



Purpose



- Judson ISD is reviewing financial and academic data and developing Corrective Action and Preventative Action Plans (CAPA's) to meet both the current and future needs of the district.
- The data in this report is set up to review the overall financial health of the district and provide future projections for decision making.
- Observations, preventative measures, and corrective measures will be reviewed along the way.

Staffing & Payroll Data



Year over Year – Change in Staff & Students over time



School Year	2021-22	2022-23	2023-24	2024-25	2025-26 Budget	2026-27 Estimate
YoY Teacher Change	1.22%	-1.57%	1.31%	-7.82%	-2.00%	-2.00%
YoY Staff Change	10.35%	2.62%	3.34%	-3.51%	0.39%	-4.33%
YoY Student Enrollment	2.98%	5.44%	-7.82%	-1.30%	-3.72%	-1.65%
YoY ADA	-0.55%	1.71%	-3.78%	-1.20%	-3.82%	-1.65%
Enroll to ADA	88.41%	85.28%	89.01%	89.09%	89.00%	89.00%

Payroll Review

5

School Year	2021-22	2022-23	2023-24	2024-25	2025-26 Budget	2026-27 Estimate
YoY Staff Change	3,056.11	3,372.33	3,460.56	3,575.97	3,464.00	3,314
Payroll	\$171,684,763	\$167,342,772	\$202,549,453	\$227,399,773	\$226,076,180	\$233,565,072
Average Cost Per Staff Person	\$56,178	\$49,622	\$58,531	\$63,591	\$65,521	\$67,426

- Observations:
 - Payroll actuals have increased the past several years.
 - In 2024-25 there was a decrease in staff total, but an increase in staff payroll.
 - The 2025-26 decrease indicates a decrease in total staff due to the large increase of required teacher raises.
- **Corrective Action:** Decrease FTE's to reduce payroll by ~\$30M over the next two years.

#1, #2, #3

Year over Year – Change in Staff & Students over time



- Observation: The most significant changes occurred in 2023-24 and 2024-25
 - 2023-24 student enrollment declined by 7.8%, while teaching staff increased
 - While in 2024-25, the district appeared to right size teaching based on the previous year decline
- **Preventative Action:** Adjust staffing as enrollment shifts.
- **Preventative Action:** Align programmatic changes to contract timelines, to ensure staffing may be right sized.
- Observation: Staff and student appears to follow the same pattern of staff changes lagging student enrollment changes.
- **Preventative Action:** Adjust staffing as enrollment shifts.

Staff Raise Information

Observation: The district has provided several significant raises over the past several years.
May be able to provide conservative increases during right sizing budget.

	0 Year Teacher	% Raise Teachers	% Raise Others
2021-2022	\$53,712	2%	2% Prof Admin 3% Aux/Para
2022-2023	\$57,362	6%	4% Prof Admin 6% Aux/Para
2023-2024	\$60,264	4.5%	3% Prof/Admin 5.5% Aux/Para
2024-2025	\$60,934	1%	\$500 incentive Market Adjustments due to TASB Study
2025-2026	\$61,949 (certified) \$60,949 (non-certified)	TRA: \$2,500 & \$5,000 1.5% non-cert.	1.5% except Admin



MOAKCASEY™

PROVEN LEADERS ADVANCING TEXAS SCHOOLS

8

Financial Health Indicators

Prepared For:

2025



Staffing Study: Positions to Review

These positions are *NOT* overstaffed compared to peers, the state or region and include staff from all funding sources, local, state, & federal.

Position(s)	Difference from Peers	Difference from State	Difference from Region
Central Administrative Staff	-16.79	-28.58	-19.05
Total Teaching Staff	-90.52	-90.52	-59.09
Central Admin: Instructional Coach	-16.18	-14.67	-14.67

Staffing Study: Positions to Review

These positions are overstaffed compared to peers, the state or region and include staff from all funding sources, local, state, & federal.

Position(s)	Difference from Peers	Difference from State	Difference from Region
Auxiliary: Custodial Staff	30.50	70.71	51.03
Auxiliary: Other Non-Exempt	30.45	9.61	22.23
Auxiliary Staff: Transportation	25.32	46.90	42.82
Total Paraprofessional Staff	-3.72	33.44	105.11

Staffing Study: Positions to Review

These positions are overstaffed compared to peers, the state or region and include staff from all funding sources, local, state, & federal.

Position(s)	Difference from Peers	Difference from State	Difference from Region
Support Services: Athletics, other than Director Staff	4.77	6.52	6.99
Support Services: Information Tech Professional	5.45	6.72	5.14
Support Services: LSSP	10.47	15.84	9.47
Support Services: Other Exempt Professional	16.18	4.44	-17.94

Staffing Study: Positions to Review

These positions are overstaffed compared to peers, the state or region and include staff from all funding sources, local, state, & federal.

Position(s)	Difference from Peers	Difference from State	Difference from Region
Support Services: School Counselor	3.18	9.69	11.11
Support Services: Social Worker	12.34	15.76	12.83
Support Services: Teacher Facilitator	-16.53	16.22	28.37
Support Services: Truant Officer	2.35	5.47	4.65

Budget Review – Revenue and Expense



Budget v Actual



REVENUE

- Observation: The district consistently has revenue at the end of the fiscal year that is higher than the budgeted revenue.
- Observation: District should narrow the gap between budgeted and actual.
- **Corrective Action:** Revenue amendments should be reviewed on at least a quarterly basis.

EXPENSE

- Observation: The districts actual expenditures have typically been less than the budgeted expenditures, with 23-24 and 24-25 being the exception.
- **Preventative Action:** Develop budget parameters memo to avoid budget amendments that increase total expenditures mid-year unless necessary for district operations.

Payroll v Non-Payroll

15

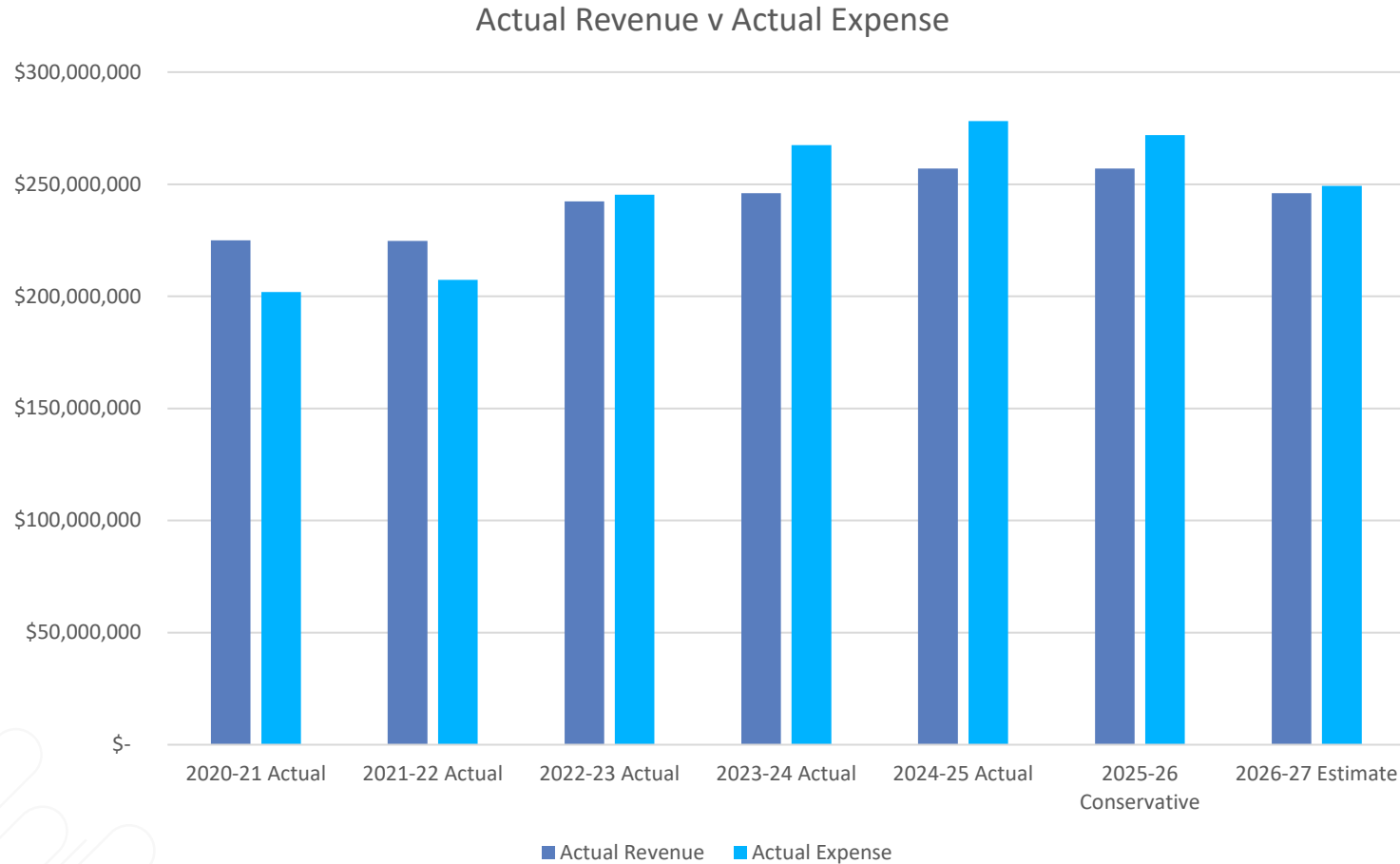
School Year	2021-22		2022-23		2023-24		2024-25		2025-26 Budget
Payroll	\$	171,684,763	\$	167,342,772	\$	202,549,453	\$	227,399,773	\$ 226,076,180
Non-Payroll	\$	16,026,344	\$	20,753,169	\$	20,922,031	\$	18,307,325	\$ 22,593,089
Total		\$187,711,107		\$188,095,941		\$223,471,484		\$245,707,098	\$248,669,269
Payroll Percent		91.46%		88.97%		90.64%		92.55%	90.91%*
Non-Payroll		8.54%		11.03%		9.36%		7.45%	9.09%

Corrective Action: Reduce payroll to ~84% of expenditures

Observations: The district has limited discretion on non-payroll cuts with nearly 61% of nonpayroll being fixed costs.

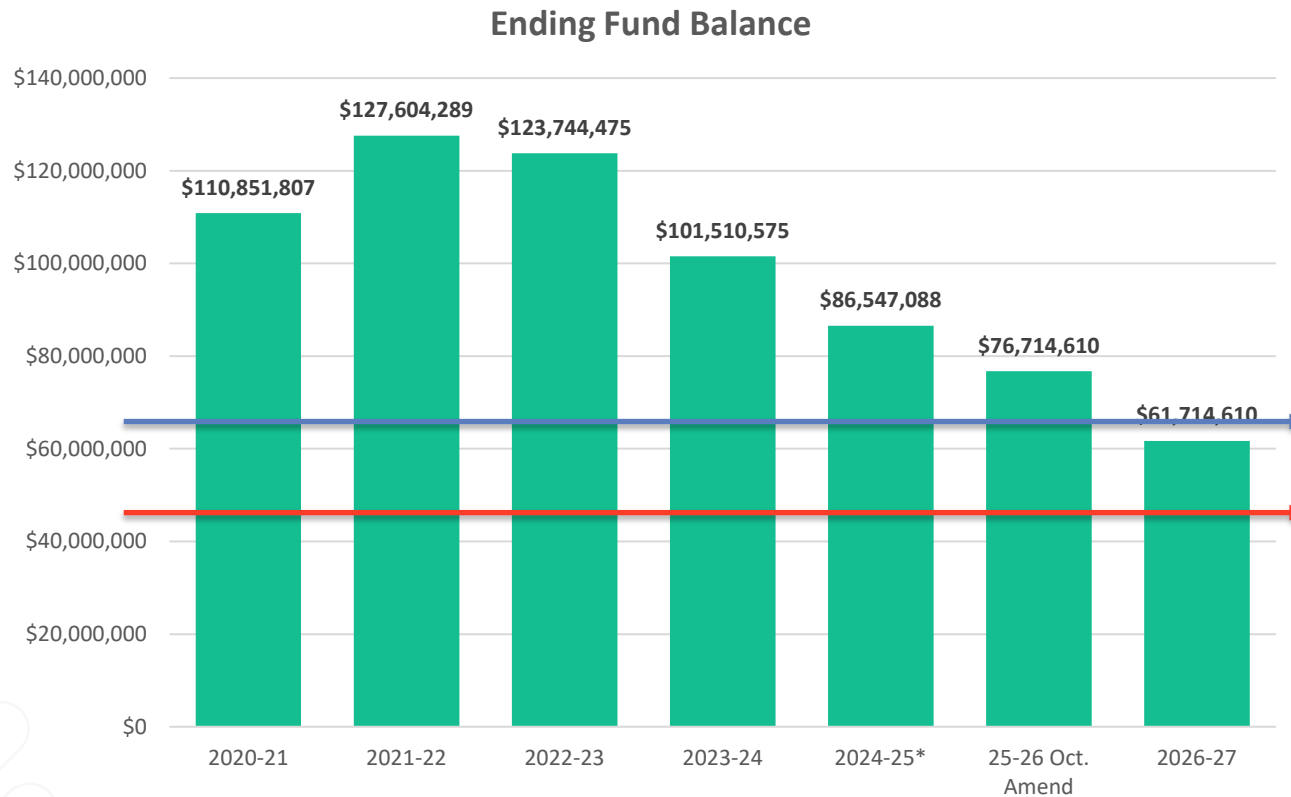
#1, #2, #3

Revenue V Expense



- Observations:
 - Expenditures have outpaced revenue since 2022-23.
 - For 2023-24 & 2024-25 the amount was over \$21M per year.
- **Corrective Action:** Begin process of decreasing deficit spending for the remainder of 2025-26.

Fund Balance Implications-Updated Oct Amend



Observation: At the end of the 25-26 School Year the Fund Balance is expected to be \$52.8 Million, under the 3-month operating expenditure threshold.

- 25-26 Daily Cost of Operations: \$746,375
- 90 Days: \$64.51M
- 75 Days: \$53.8M
- 60 Days: \$43.1M

Corrective Action: Adopt balanced or surplus budget to ensure fund balance renewal. Adding to FB in the future will be more complex.

Campus Consolidation Review

18

	ES Number of positions	Estimated Cost	Elementary School	MS Number of positions	Middle School
Principal	1	\$127,170	\$127,170	1	\$127,170
Assistant Principal	1	\$97,607	\$97,607	2	\$195,214
Counselor	1	\$88,918	\$88,918	2	\$177,835
Nurse	1	\$77,710	\$77,710	1	\$77,710
Librarian	1	\$81,833	\$81,833	1	\$81,833
Teacher Alignment	5	\$78,990	\$394,950	8	\$63,920
Aides	4	\$32,646	\$130,584	5	\$163,230
Security Officer	1	\$140,609	\$140,609	1	\$140,609
Athletics Coordinator		\$84,407	\$0	2	\$168,814
Fine Arts/Coaches Stipends			\$0	35	\$89,650
Non-Personnel Total			\$ 500,000		\$1,000,000
Estimated Savings Range			\$1,244,430 - \$1,639,380		\$2,222,064 - \$2,853,984

Summary & Action Steps



Recommendations



1. Enhance processes and internal controls for budget development & management
2. Enhance strong processes and internal controls for PEIMS and position management
3. Decrease payroll in the General Fund from 91% of the budget to 84%
4. Execute campus consolidation plan (see MoakCasey financial estimates)
5. District is eligible for should review Financial Exigency requirements

Post TRE Immediate Actions



1. Implement 2025-26 Hiring Review; only hire critical needs positions as positions are vacated.
 - Begins process of reducing staff from 91% of budget to 84%
2. Prioritize Staffing Categories for Reduction
3. Review Financial Exigency Requirements
4. Execute Campus Consolidation Plans

Financial Exigency



A school district board of trustees may declare financial exigency under one or more of the following conditions:

- The unassigned General Fund balance per student in weighted average daily attendance (WADA) has decreased by more than 20 percent over the past two years or is projected to decrease by 20 percent in the next year compared to the current year.
 - Judson ISD's Fund Balance has declined by 32% over the two-year period.

[TEA Guidance](#)

Nov. & Dec. Board Meetings



- A. Review and Discuss Financial Exigency (see TEA requirements)
- B. Decide 2026-27 Campus Consolidations
- C. Approve Draft 1 of the 26-27 Budget Parameters Memo
 - 1. Revenue and Expense Assumptions
 - 2. 2026-27 Staffing Assumptions
 - 3. Campus Consolidation Assumptions

January



- A. Host Community Meetings
- B. Host Staff Meetings
- C. Approve Draft 2 of the 26-27 Budget Parameters Memo

February



- A. Provide Board updates on 2025-26 Budget Reductions
- B. Provide Board Update on first semester revenue adjustments and amend budget to updated estimated revenue
- C. Amend 2025-26 expense budget to reflect reductions
- D. Hold Board Work Session on 2026-27 Budget

Preventative Actions



- Align staffing with ADA on an annual basis using demographer and district projections.
- Create historical projections regarding payroll objects where costs maybe hidden, such as substitutes, extra duty/OT, staff payouts, or stipends.
- Create historical projections regarding to non-payroll items where inflation is a concern; Utilities, Property Insurance etc.
- Build Budget on worst case demographer estimates.
- Create internal and Board process for hiring staff, new and open positions.

Preventative Actions



- Avoid large expenditure increase budget amendments mid-year unless necessary for district operations.
- Create a local policy regarding special revenue funds and staff retention. Specifically, outline the process and expectations for when grant ends.
- Conduct a steady cash flow analysis and report to CFO, Superintendent and Board President.
- Develop annual budget parameters that are agreed upon by the Board at the beginning of the budget adoption season.

Corrective Actions



- Adjust payroll to align with 84% of expenses, in line with state and peer averages.
- Review revenue and adjust to actuals along the way, at least quarterly.
 - Revenue reviews internally should be every six weeks.
- Reduce expenses by ~\$15 million for 2026-27 and additional \$15 million for 27-28 to ensure a balanced budget, focusing on payroll to align with ~84% of budgeted expenses.
- Reductions needed for the following year will be dependent upon the current year.

Corrective Actions



- In future years adopt a surplus or balanced budget to ensure fund balance growth.
- Review the long-term benefits of campus consolidation based on the district's financial needs.