



# BUDGET UPDATE

July 8, 2025



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# GENERAL FUND

# BUDGET ASSUMPTIONS

## FY 2026 GENERAL FUND BUDGET PLANNING ASSUMPTIONS

July 8, 2025 Board Meeting

### REVENUES

Expect continued M&O tax rate compression in FY26; current M&O tax rate of \$0.6682 for FY25, \$0.6692 for FY24  
Receive certified Bell County Appraisal District (BellCAD) Values in late July  
Homestead Exemption of \$140,000 (\$100,000 in FY 25, \$100,000 in FY 24)  
Budgeted property tax collections at 99% (99% in FY25)  
Maintain early payment property tax discount (3-2-1 discount)  
Investment revenue expected to remain flat or decrease slightly  
State revenue based on student projections based on FY25 6th six-weeks ADA  
Impact Aid federal revenue \$10mm decrease based on FY25 letter from Department of Education

### EXPENDITURES

Payroll costs will be based on current staffing guidelines  
General pay increase for employees  
Starting teacher pay of \$58,000 (\$58,000 in FY25, \$57,000 in FY24)  
Longevity stipends at FY25 criteria  
Health insurance benefit of \$400 per month if taking KISD insurance and \$200 per month for those not taking KISD insurance  
Teacher staffing based on student projections at 18:1 for PK3; 23:1 for PK-4; 27:1 for grades 5-12  
Position contingency of \$500,000  
Student projections drive campus allocations  
Maintaining PK3 program at on-post elementary schools  
Maintaining 1.0/2.0 mile walk out for transportation routes  
Teacher supply reimbursement remaining at \$200 per classroom teacher  
Unfilled Positions (Vacancy) factor for FY26 at 95.0%  
Maintaining campus life cycle replacement of \$5mm per year; paying \$100,000 from General Fund, remainder from federal Title funds

### Transfers:

Maintaining Capital Improvement Projects at 1.25% of budgeted expenditures, budgeted as part of the Strategic Facilities Plan for FY26

# GENERAL FUND REVENUES



## General Fund Revenues

2025-2026 Working Budgeted Revenue

Local	18.7%	\$	91.6
State	69.3%		339.4
Federal	12.0%	\$	58.9
	<hr/>	\$	<hr/>
	100.0%		489.9

Total Working Revenue

<hr/>	\$	489.9
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# GENERAL FUND EXPENDITURES



## General Fund Expenditures

Changes to FY 26 Working Budget from FY25 Adopted Budget:

FY25 Adopted Budget:

FY25 Staffing Snapshot Expenditures	\$	392.6
FY25 Non-Staffing Expenditures		98.6
Total	\$	491.2

HB2 Required Expenditures:

Estimated Raises for Teachers--> 3-4 years	\$	0.7
Estimated Raises for Teachers--> 5+ years		8.5
Estimated Employer Paid Benefits		1.0
Total	\$	10.2

# GENERAL FUND EXPENDITURES

## Anticipated Expenditures Changes:

Estimated Savings - Staffing Allocation & Program Char	\$	(7.9)
Estimated Savings - Transportation SpEd Restructure		(0.4)
Property Insurance Savings		(0.8)
Total	\$	(9.1)
Total Working Expenditures		<u><u>\$ 492.5</u></u>

# GENERAL FUND

# FUND BALANCE



## General Fund Fund Balance

Working Revenues	\$ 489.9
Working Expenditures	(492.5)
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	\$ (2.5)
Use of Prior Year Restricted Fund Balance (State Compensatory Education Funds)	\$ 4.3
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Total Working Net Change to Fund Balance	\$ 1.8








# HISTORICAL GENERAL PAY INCREASES

Year	Teachers*	Teachers*	Nurses, Librarians & Counselors	Administrators	CDL drivers	Auxiliary	Teacher Starting Pay
2024-25	3.00%	3.00%	3.00%	3.00%	4.00%	4.00%	\$58,000
2023-24	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	\$57,000
2022-23	8.00%	8.00%	6.00%	6.00%	6.00%	6.00%	\$56,160
2021-22	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	\$52,000
2020-21	none	none	none	none	none	none	\$50,300
2019-20*	6.60%	10.00%	4.50%	3.00%	8.00%	6.00%	\$50,300
2018-19	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	\$47,000
2017-18	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	\$46,500
2016-17	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	\$45,575
2015-16	3.00%	3.00%	3.00%	3.00%	3.90%	3.90%	\$45,000
2014-15	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	\$43,500
2013-14	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	\$43,000
Total GPI	38.10%	41.50%	34.00%	32.50%	39.40%	37.40%	

\* minimum teacher increase in 2019-2020 was 6.6% and ranged up to 10%





# GENERAL PAY INCREASE DISCUSSION

## Staffing:

### Base salaries \*

Working FY26 Staffing (in millions)	
General Fund (199)	\$ 246.5
School Nutrition (240)	12.0
Other Funds	24.5
Total	\$ 283.0

### Raise Scenarios:

#### 1%

General Fund (199)	\$ 248.2
School Nutrition (240)	12.1
Other Funds	24.5
Total	\$ 284.8

Increase (in millions)	
\$	1.7
	0.1
	-
\$	1.8

\* Not including mandatory teacher raises under HB2







# HEALTH INSURANCE EMPLOYER CONTRIBUTION DISCUSSION

Health Insurance Employer Contribution Options:

\$400 (current)	\$	17.8	Increase:	
\$410	\$	18.2	\$	0.4
\$425	\$	18.9	\$	1.1
\$430	\$	19.1	\$	1.3





# TARGETED PAY PROPOSAL

- 2% raise for all non-exempt positions coupled with a \$13/hour floor rate
- **Cost \$1.3 million**
- 2% raise for all remaining positions
- **Cost \$0.75 million**
- Minimum \$2,500 raise for special education evaluation positions with a pay grade adjustment
- **Cost \$0.5 Million**
- 27 Teacher FTE's for middle school PLC's in math and science
- **Cost \$1.8 million**
- Minimum \$2,500 raise for all Principals, Assistant Principals, and Deans of Instruction with a pay grade adjustment
- **Cost \$1.0 Million**
- Increase Health Insurance contribution to \$425
- **Cost \$1.1 million**

Total Plan Cost: \$6.45 million





# BUDGET ADOPTION DATES

## Budget Adoption Event Dates

Activity	Date
Chief Appraiser provides certified property values	07/25/25
Approved Maximum Compressed Rate (MCR) expected from TEA	08/05/25
Present near-final proposed budgets, near-final tax rates and updated assumptions	08/05/25
Meeting to vote to approve proposed budgets and tax rates for the following fiscal year	08/12/25
Publish Notice of Budget and Tax Rate Meeting (must be 10-30 days before the date of the public hearing) in the newspaper	08/14/25
Post a summary of the proposed budgets and tax rates on district's website	08/14/25
Meeting to vote to adopt proposed budgets and tax rates (budget must be adopted before the adoption of the tax rate)	08/26/25
First day of 2025-2026 fiscal year	09/01/25



# THANK YOU!



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