



Public Hearing for Proposed Tax Rate

August 18, 2025

Board Meeting



Purpose

- Review budget development process
- Discuss local funding opportunity
- Hold public hearing to discuss the proposed tax rate

Budget Development

Budget Development Timeline

Dec 2024	Jan 2025	Feb 2025	March 2025	April 2025	May 2025
	<p>Communication of 25-26 budget process, timeline</p> <p>State Comptroller releases 2024-25 property value study</p> <p>Demographic report</p> <p>Initiative package request window opens</p>	<p>Budget Workshop 1: Assumptions and Revenue Projection</p> <p>Initiative package request window closes</p> <p>Campus staffing allocations published</p> <p>Campus staffing meetings begin</p>	<p>Budget Workshop 2: Staffing Projections and Compensation Scenarios</p> <p>Campus Non Payroll Allocations published</p> <p>Executive Leadership Team Discusses Budget Initiative Packages</p>	<p>Budget Workshop 3: Program Initiatives</p> <p>County Appraisal Districts release preliminary values for 2025-26</p> <p>Executive Leadership Team Finalizes Priorities on Budget Initiative Packages</p>	<p>Budget Workshop 4: Overall Picture of Budget</p> <p>Regular Board Meeting - Approval of Compensation Plan</p>
June 2025	July 2025	Aug 2025	Sept 2025	Oct 2025	Nov 2025
<p>Budget Workshop 5: As needed</p> <p>Board Meeting: Hold public hearing to adopt 25-26 budget</p>	<p>County Appraisal Districts release certified values for 2025-26</p>	<p>TEA provides MCR for the M&O tax rate</p> <p>Board Meeting: Hold public hearing to adopt 25-26 tax rate</p>	<p>2025-26 tax rate adoption deadline</p>		<p>County Appraisal District submits 2025-26 property values to the State Comptroller</p>



Our Bold Vision + Purposeful Path

Retain & Recruit

Quality teachers and staff in every classroom, position

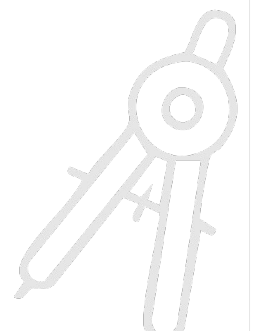
- Increase starting teacher pay to \$60,000
- Increase starting pay for paraprofessional positions to \$16/hour
- Increase starting pay for auxiliary positions to \$15/hour
- Increase all other professional positions by 3%
- Adjust pay steps and salary scales
- Deploy Retention Initiative: Strategic Stipends
- Increase district contribution to healthcare premiums

Fast-Growth Programs

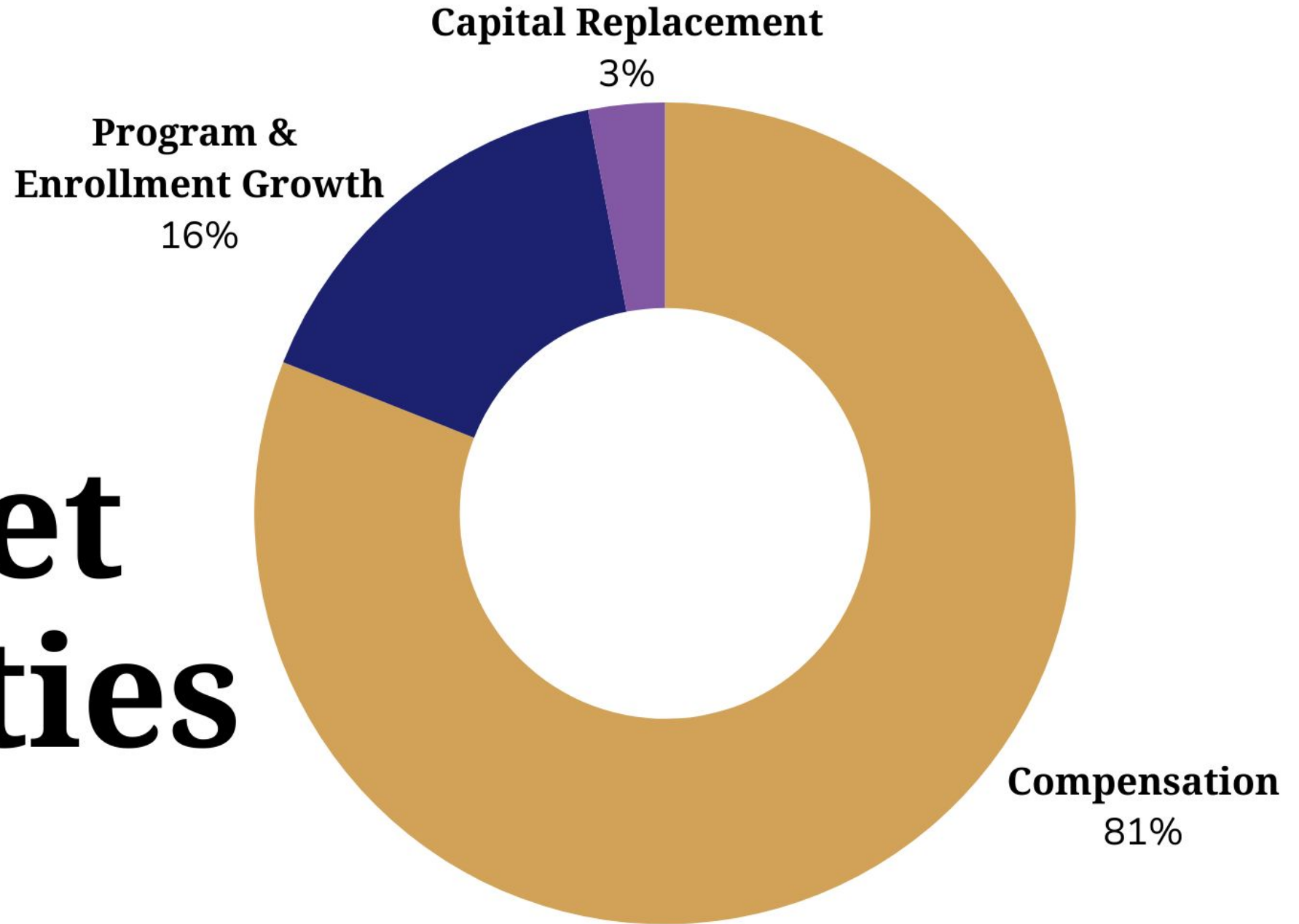
- Provide additional staff and resources
 - Enrollment and program growth
- Establish fund to address inflationary pressure
 - Health and property insurance, utilities, etc

Capital Replacements

- Establish capital replacement plan fund



Budget Priorities



Budget Efficiency

Central Office reductions total \$1,430,000 to date

Departmental Non-Payroll	\$585,000
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- Reduce central office budgets by 10%
- Discontinue/reduce various contracted services
- Reallocate state approved instructional resources to IMAT

Reassign instructional staff to priorities	\$495,000
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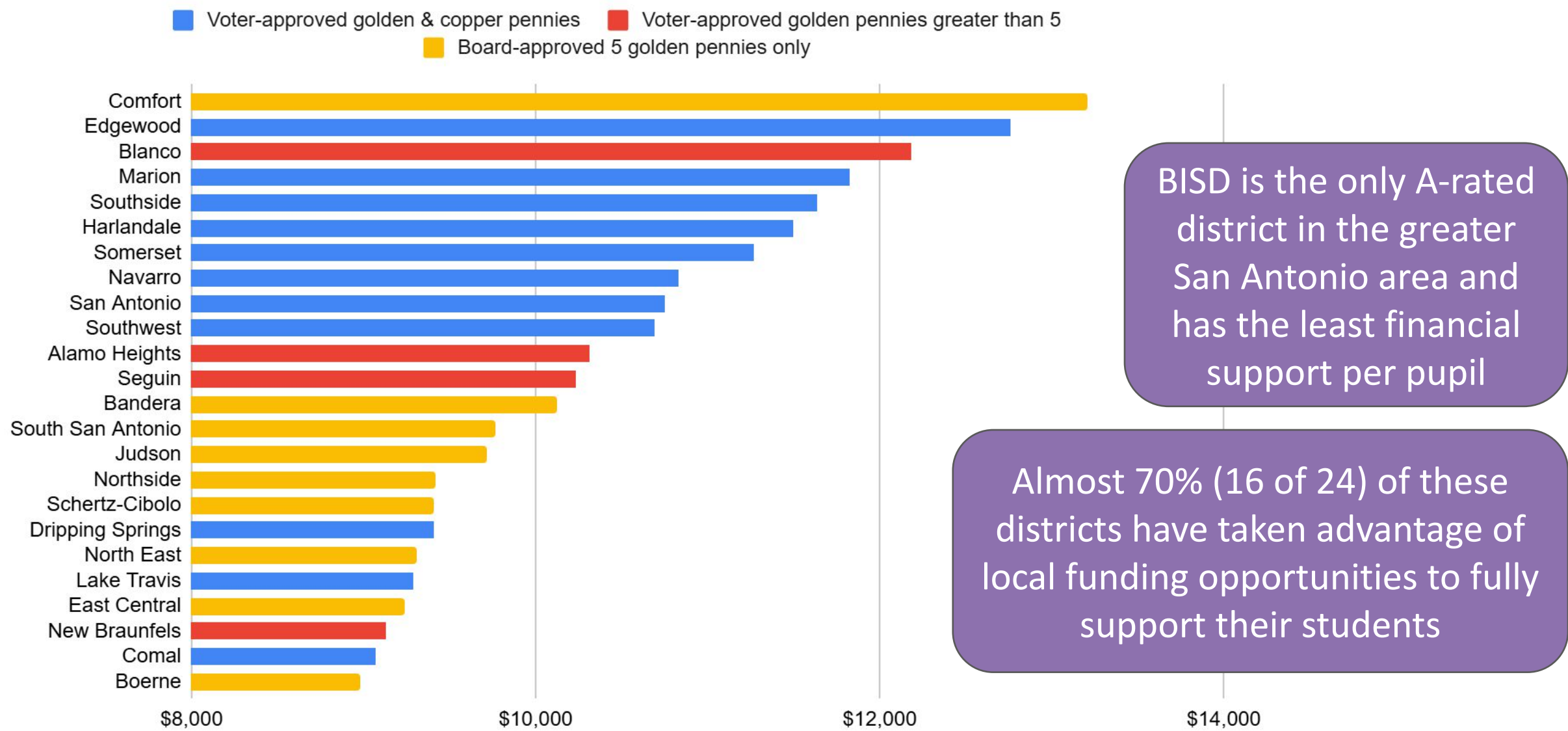
Reduce Central Office positions through attrition	\$350,000
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Estimated Impact of HB2

Funding Element		Estimated Revenue Increase
Teacher Retention Allotment	Boerne ISD net gain: \$3.8M Allocations for teacher pay and support staff: \$3.47M Remaining funds to address all other budgeted needs: ≤ \$400,000 1 of 9 out of over 1,000 districts in Texas impacted in this manner.	\$3,000,000
Support Staff Allotment		\$470,000
Special Education Initial Evaluations		\$450,000
School Safety Allotment		\$350,000
Allotment for Basic Costs		\$1,150,000
Basic Allotment and Resulting WADA impacts		\$941,000
Tier II loss		(\$150,000)
Hold Harmless for Compression loss		(\$2,400,000)
Net Gain		\$3,811,000

Local Funding Opportunity

2024 General Fund Spending Per ADA





GOLDEN Penny

Tier II Funding – Tier II Tax Rate

- Estimated tax collections: \$950K per penny
- Estimated add'l state funding: \$650K per penny
- Estimated yield per penny: \$1.6M per penny
- **Total estimated funding with 3¢ \$4.8M**



Copper Pennies are **not under consideration.**

Copper pennies **do not adequately benefit** the students or taxpayers of Boerne ISD.

Boerne ISD is not interested in any option that requires us to pay recapture or takes money out of our community.

GENERAL FUND Adopted Budget

June 2025

Tax Revenue	\$74,171,000
State Funding	\$40,970,000
Other Revenue	<u>\$1,399,000</u>
	\$116,540,000
Payroll Costs	\$98,992,000
All Other Operating Expenditures	<u>\$17,548,000</u>
	\$116,540,000
Surplus/(Deficit)	\$0

Proposed Tax Rate

Total Appraised Value & Total Taxable Value

	Preceding Tax Year	Current Tax Year	+ (-)
Total appraised value ** of all property	\$20,104,481,056	\$21,108,217,056	5%
Total appraised value ** of new property ***	\$440,769,623	\$375,841,630	-15%
Total taxable value **** of all property	\$12,995,626,636	\$13,122,811,031	1%
Total taxable value **** of new property ****	\$416,498,575	\$353,348,021	-15%
Budgeted Assumption		\$13.4 billion	

** "Appraised value" is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code.

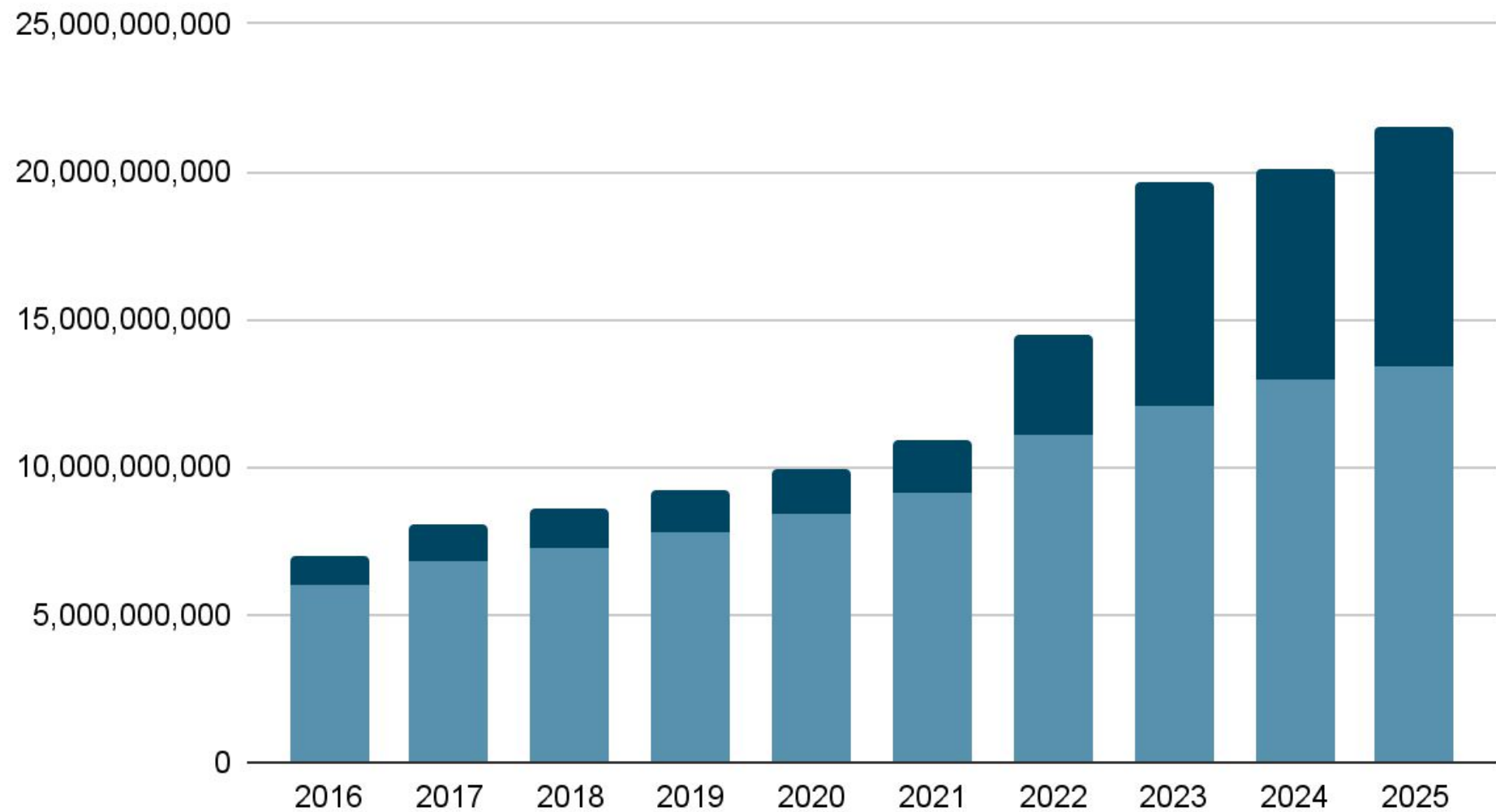
*** "New property" is defined by Section 26.012(7), Tax Code.

**** "Taxable value" is defined by Section 1.04(10), Tax Code.

Sources: Bexar, Comal, and Kendall County Appraisal Districts

Property Values in Boerne ISD

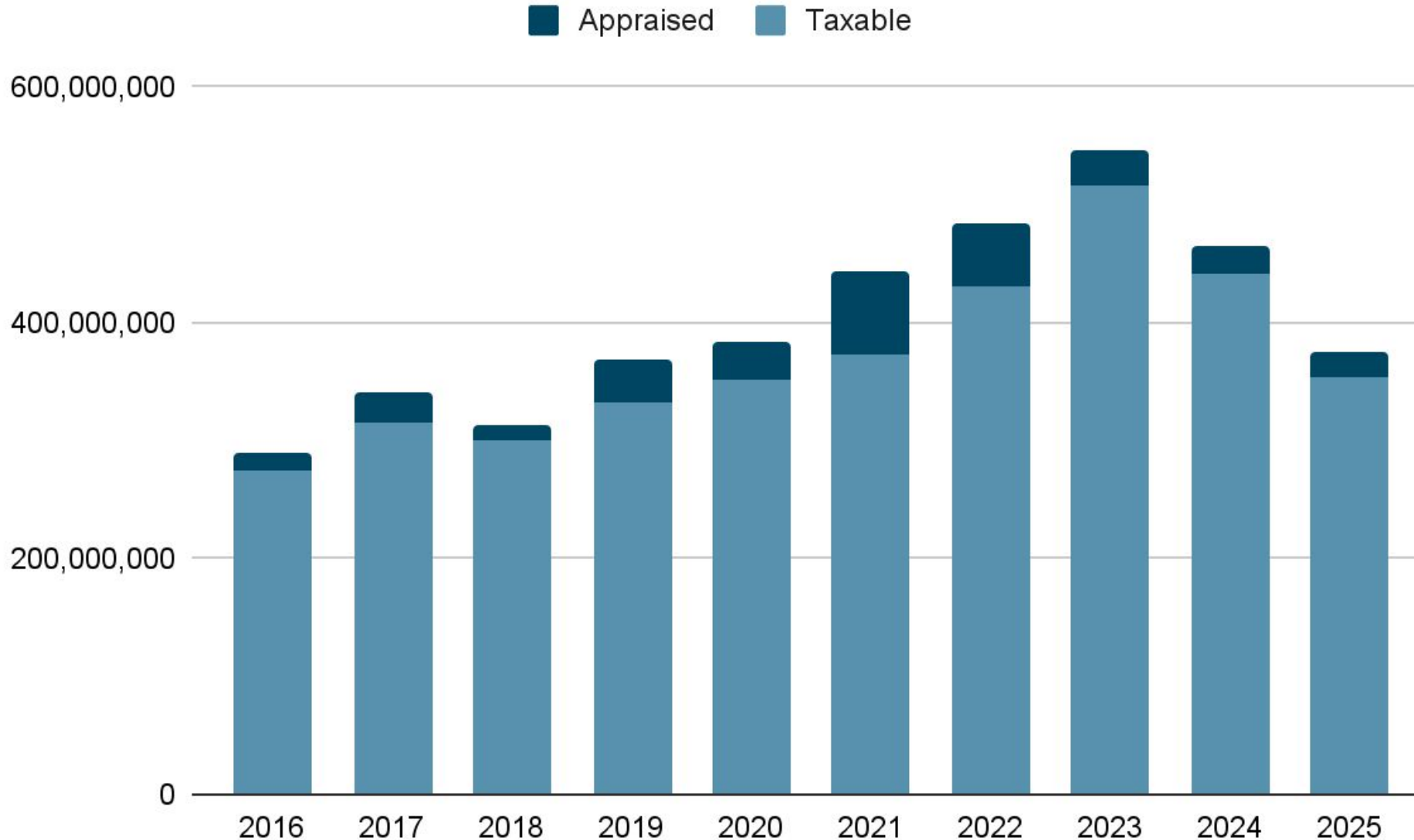
Appraised Taxable



Despite significant market value growth, growth in taxable values has been limited by property tax legislation and supplemented by steady new property growth

Source: Bexar, Comal, and Kendall County Appraisal Districts

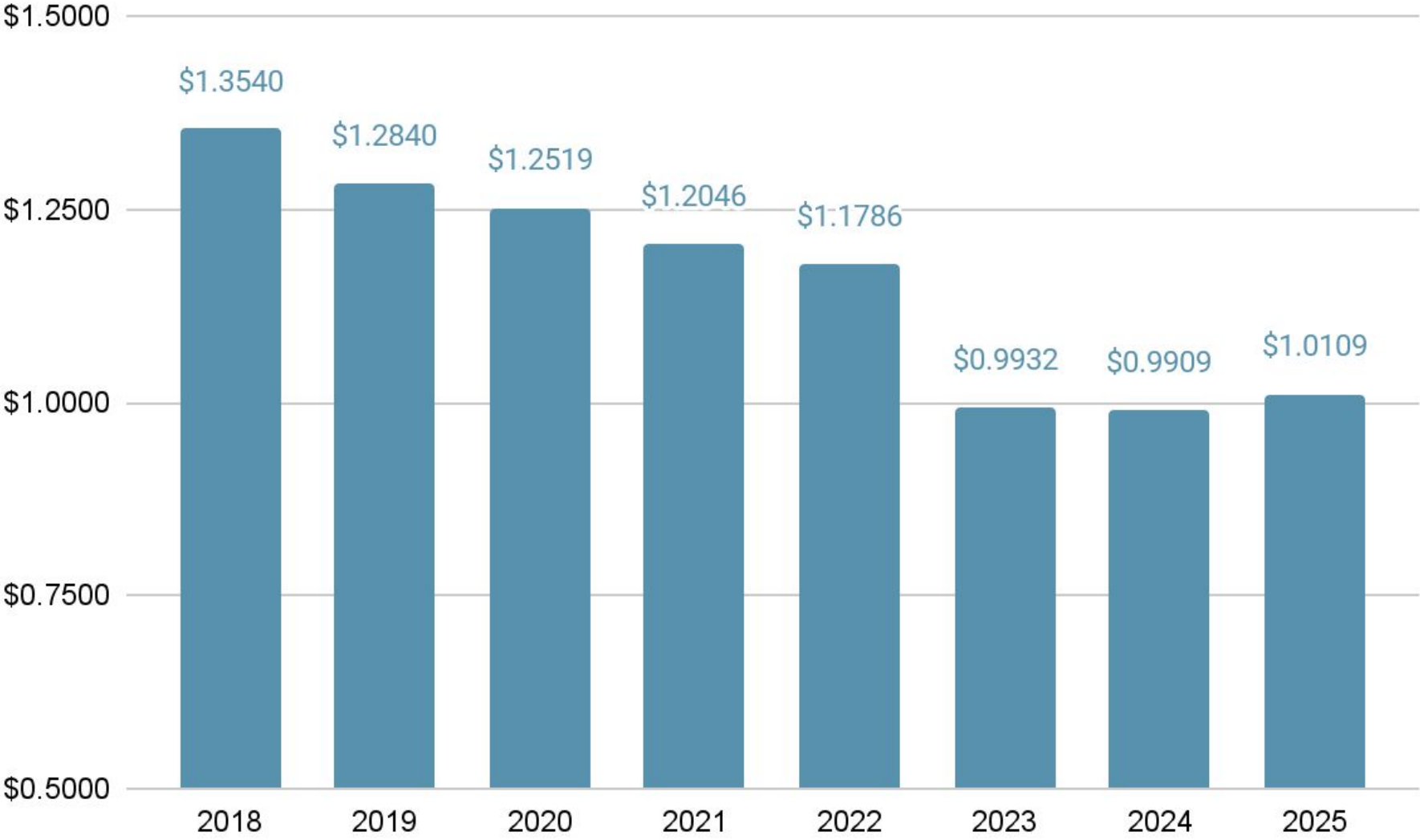
New Property Value



Our Boerne community has seen \$3.5B in new growth over the last 10 years

Sources: Bexar, Comal, and Kendall County Appraisal Districts

Historical Tax Rate Information



Boerne ISD tax payers benefit from rate compression; property tax rates reduced over \$0.36 since 2018

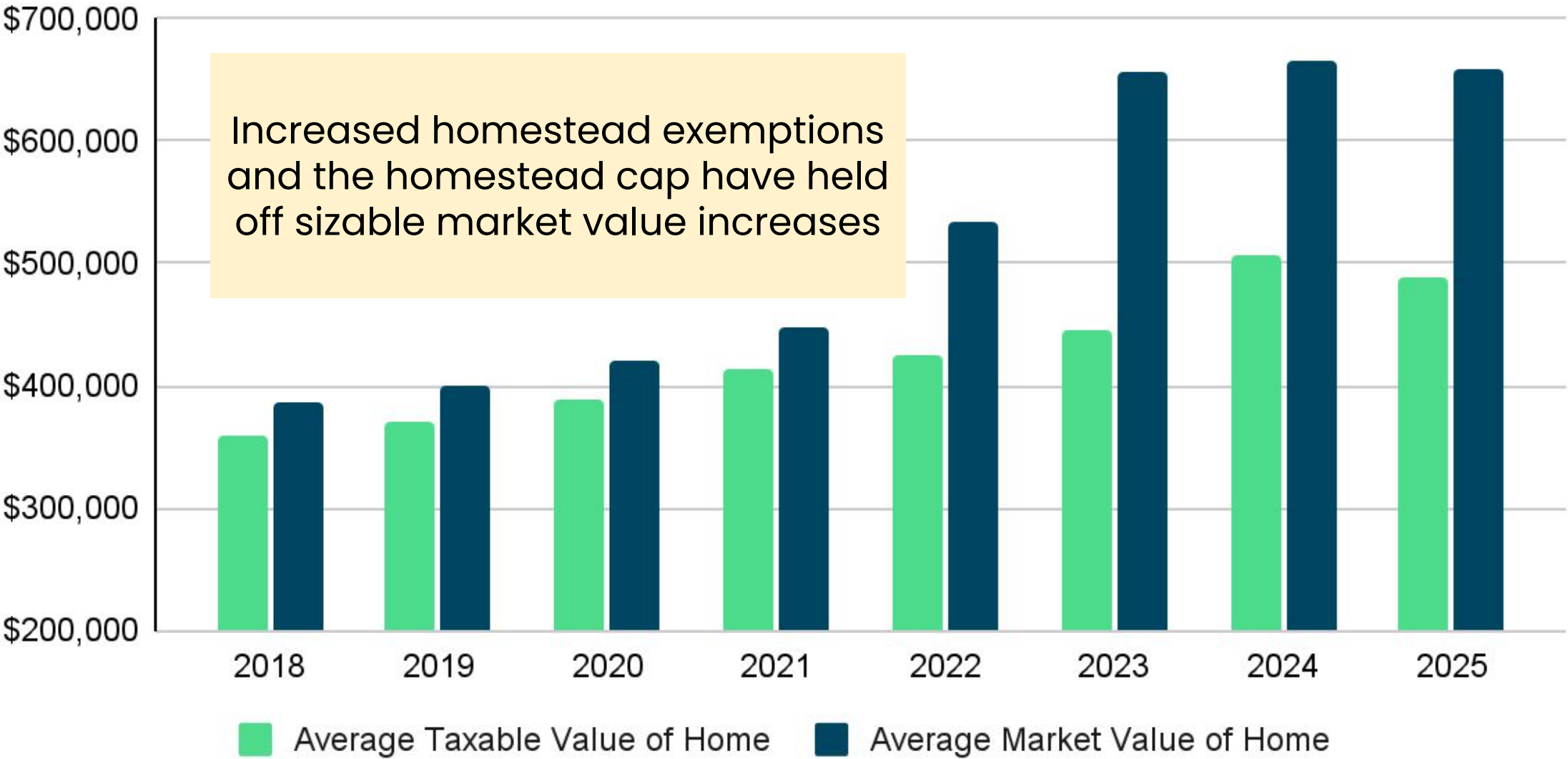
Sources: Boerne ISD Finance Office

Proposed Tax Rate

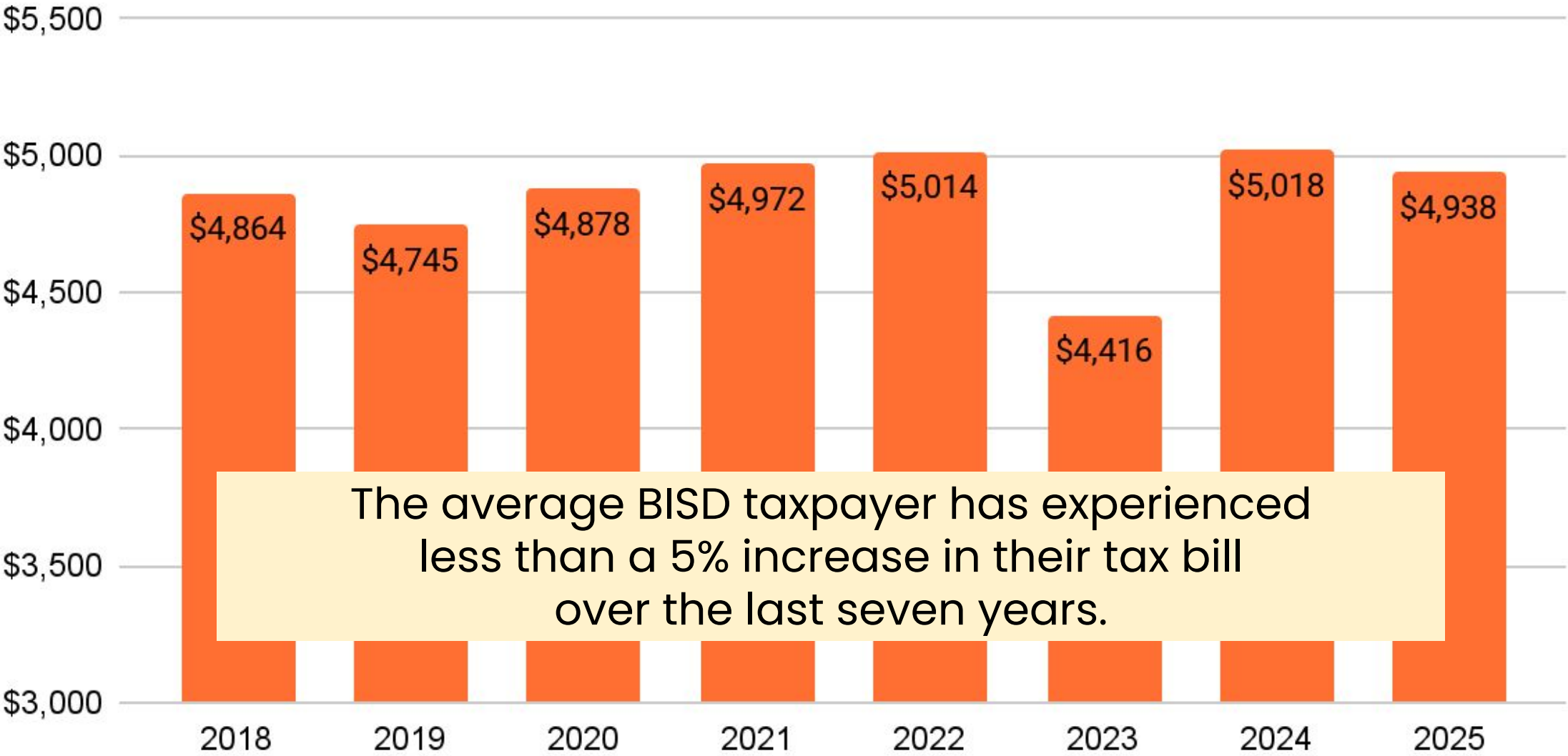
	Last Year	This Year
Maximum Compressed Rate	\$0.6169	\$0.6169
Tier II Golden Pennies	\$0.0500	\$0.0800
Total Maintenance & Operations Tax Rate	\$0.6669	\$0.6969
Interest & Sinking Rate	\$0.3240	\$0.3140*
Total Tax Rate	\$0.9909	\$1.0109
Increase from prior year		\$0.0200

* Presumes Board covenant to reduce the I&S rate by \$0.01 upon successful VATRE election currently under consideration

Average Taxable Value of a Boerne ISD Home - Per Kendall County Appraisal District



Boerne ISD Average Homeowner Tax Bill - Per Kendall County Appraisal District



Estimate of Impact on Average Taxpayer

	2024 Tax Year	2025 Tax Year	Over 65/Disabled	Over 65/Disabled
	(FY 2024-25)	(FY 2025-26)	(FY 2024-25)	(FY 2025-26)
Average taxable value	\$506,000	\$488,000	\$496,000	\$428,000
Tax rate	\$0.9909	\$1.0109	\$0.9909	\$0.9909
Change in tax rate		\$0.0200		\$0
Average tax	\$5,018	\$4,938	\$4,918	\$4,246
Decrease in average tax		(\$80)		(\$672)

- Homestead exemptions will increase by \$40k from \$100K to \$140K
- Over 65 and disabled will increase by \$50k from \$10K to \$60K
- Over 65 will receive the benefit of both homestead increases at \$90k

Notice of Voter-Approval Rate

The highest tax rate the district can adopt before requiring voter approval at an election is \$1.0009.

This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of \$1.0009.

Public Hearing