



Spring Branch Independent School District

2025

Budget

PUBLIC HEARING

JUNE 10, 2024

CRITICAL FACTORS Influencing the **Budget**



Enrollment



**The
Economy**



**Revenue
Sources**

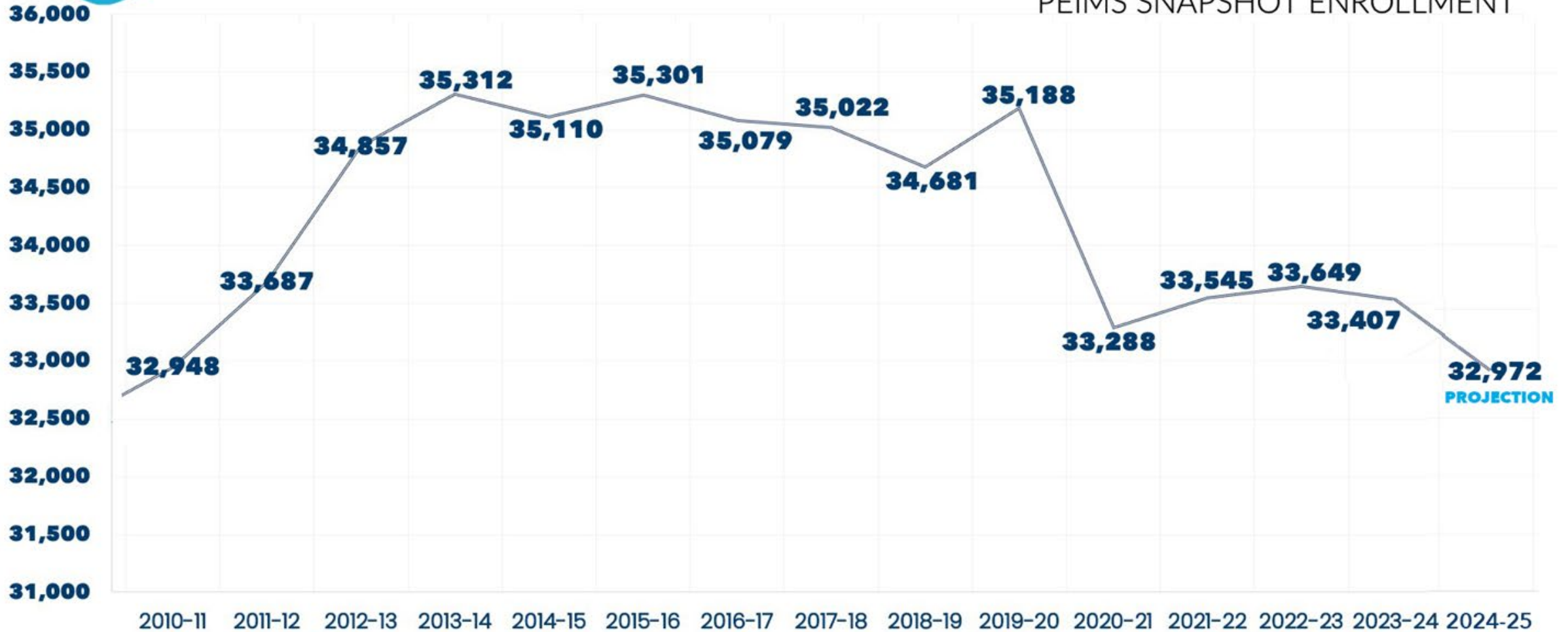


Enrollment



ENROLLMENT HISTORY

PEIMS SNAPSHOT ENROLLMENT





The Economy



THE ECONOMY



Health Insurance



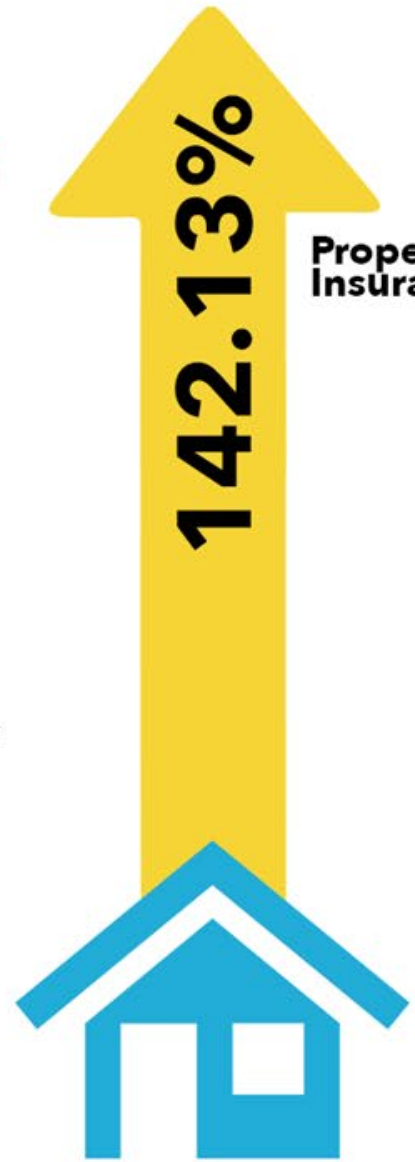
TRS
Teacher
Retirement
System



Food



Utilities



Property
Insurance



2018-2019 vs. 2024-2025 (6 years)



Revenue Sources

88TH LEGISLATIVE SESSION OVERVIEW



88th Regular Session
Spring 2023

OVERVIEW

Regular Session

BOTTOM LINE:

- NO ADJUSTMENT** made to account for inflation
- HB3 MANDATES** for armed officers on each campus **NOT ENTIRELY FUNDED** by safety allotment

Increased golden penny yield
Safety allotment increase
28 cents per student
\$15,000 per campus



**88th Special Session
Summer/Fall 2024**

OVERVIEW

Special Session

BOTTOM LINE:

\$0

**NEW DOLLARS
FOR PUBLIC EDUCATION**

1st Special Session

- \$0 for public education

2nd Special Session

- Property Tax Relief
- \$0 for public education

3rd Special Session

- \$0 for public education

4th Special Session

- \$0 for public education

REVENUE ASSUMPTIONS

Taxable Property Value Increase

	Certified Taxable Value	% Increase from the prior year
FY2025	\$42,267,098,542	1.41%
FY2024	\$41,677,445,959	4.96%

M & O

	TAX RATE
FY2025	\$0.7719*
FY2024	\$0.7744

*PRELIMINARY

Changes in Revenue

\$5.4 million decrease in total revenue less recapture:

- **\$3.2 million increase** in tax revenue
- **\$2.3 million decrease** in state funding
- **\$5.2 million increase** in recapture
- **\$1.1 million decrease** in all other revenues combined

GENERAL FUND BUDGET

EXPENDITURE PRIORITIES

Sustain academic priorities despite a \$35 million expenditure reduction required due to the state's failure to adequately fund public education.

Fund compensatory accelerated instruction to support at risk students, a TEC 29.081 (b) requirement.

EXPENDITURE PRIORITIES

EMPLOYEE COMPENSATION

Includes a 4% compensation increase for all employees (central administrators TBD).

A compensation increase is necessary to maintain a viable compensation structure and to attract and retain outstanding employees.

There was no compensation increase in the prior year (FY24).

SUMMARY OF PHASE I, II, AND III

BUDGET REDUCTIONS FOR 2024-25 SCHOOL YEAR

PHASE I AND II

- Reduce departmental operating budgets & staffing
- Closure of Treasure Forest Elementary
- Closure of Panda Path Pre-K
- Increase high school teacher ratio (from 1:23 to 1:25) and align high school schedules
- Restructure elementary GT services (SPIRAL)
- Dissolve SKY Partnership

PHASE III

Reduce Departmental Operating Budgets & Staffing

- Reduce centralized academic instructional support (instructional specialists, transformational learning specialists) and other Academics division positions
- Reduce central office division staffing in finance, community engagement, operations, technology, administration, human resources and talent
- Reduce central office department operating budgets

Reduce Campus Operating Budgets & Staffing

- Reduce & restructure elementary/middle school counseling programs
- Reduce & restructure library services
- Reduce & restructure athletic training staff
- Reduce campus operating budgets

of Positions

Budget Impact

91.0

\$12,417,858

143.5

16,832,750

71.0

5,751,775

TOTAL Phase I,II, and III

305.50

\$35,002,383

GENERAL FUND BUDGET

	<u>Adjusted FY2024</u>	<u>Preliminary FY2025</u>
Tax Revenue	\$291,598,421	\$294,755,317
State Funding	22,370,205	20,107,993
Other Revenue	42,455,873	41,333,200
Recapture	(6,511,235)	(11,701,102)
Total Revenue Less Recapture	<u>349,913,264</u>	<u>344,495,408</u>
Payroll	320,135,534	309,703,393
Contract Services/Supplies/Other Operating	66,069,138	52,641,722
Capital Outlay	1,515,690	370,821
Total Expenditure	<u>387,720,362</u>	<u>362,715,936</u>
Other Sources (Uses)	<u>4,050,000</u>	<u>50,000</u>
Change in Fund Balance	<u>(33,757,098)</u>	<u>(18,170,528)</u>
Ending Fund Balance	\$103,747,256	\$85,576,728
Fund Balance as a % of Expenditure	26.8%	23.6%

RECAPTURE

In Millions



Actual amounts for **FY2019 – FY2023** and projected amounts for **FY2024 and FY2025**

DEBT SERVICE ASSUMPTIONS

- Tax rate remains at **\$0.3045**
- **\$1.6 million revenue increase** primarily due to value growth
- Expenditure includes **\$6.7 million of accelerated principal payment**
- Issuance of debt under the 2017 and 2022 bond authorizations **is not planned in FY 2025**

DEBT SERVICE FUND BUDGET

	Adjusted FY2024	Preliminary FY2025
Tax Revenue	\$119,900,000	\$121,594,000
Other Revenue	8,124,000	8,055,000
Total Revenue	128,024,000	129,649,000
Debt Service	129,103,228	128,733,000
Total Expenditure	129,103,228	128,733,000
Increase/(Decrease) in Fund Balance	(1,079,228)	916,000
Ending Fund Balance	\$33,911,062	\$34,827,062
Fund Balance as a % of Expenditures	26.3%	27.1%

TAXABLE PROPERTY VALUE

<u>Fiscal Year</u>	<u>Property Value</u>	<u>Increase</u>
2025*	\$42,267,098,542	1.41%
2024	41,677,445,959	4.96
2023	39,707,138,233	7.80
2022	36,835,716,132	2.33
2021	35,997,297,175	4.49
2020	34,449,987,364	5.48

* Certified Estimate from Harris Central Appraisal District

TAX RATE HISTORY

Fiscal Year	Maintenance and Operations	Interest and Sinking	Total
2025*	0.7719	0.3045	1.0764
2024	0.7744	0.3045	1.0789
2023	0.9643	0.3045	1.2688
2022	0.9998	0.3045	1.3043
2021	1.0028	0.3045	1.3073

* Preliminary

FY 2025 BUDGET CALENDAR

August 2023	<ul style="list-style-type: none">• Board of Trustees workshop and regular meeting presentations• Departments reduced budgets by 10%
September 2023	<ul style="list-style-type: none">• Board of Trustees workshop presentation
October 2023	<ul style="list-style-type: none">• Board of Trustees regular, workshop and special meetings presentations
November 2023	<ul style="list-style-type: none">• Board of Trustees regular, workshop and special meetings presentations• Portion of phase I efficiencies approved
December 2023	<ul style="list-style-type: none">• Board of Trustees special meeting presentation• Phase II and remainder of phase I efficiencies approved
February 2024	<ul style="list-style-type: none">• Board of Trustees workshop presentation• Board of Trustees approval of enrollment projections• Modified Zero-Based budgeting departmental reports• Phase III efficiencies communicated
April 2024	<ul style="list-style-type: none">• Board of Trustees workshop presentation• Certified Estimate of Taxable Value from HCAD
May 2024	<ul style="list-style-type: none">• Board of Trustees workshop presentation• Notice published in newspaper for Public Hearing
June 2024	<ul style="list-style-type: none">• Board of Trustees workshop - Public Hearing on FY 2025 Budget• Board of Trustees regular meeting - approval of FY 2025 Budget & FY 2024 Final Amended Budget
July 2024	<ul style="list-style-type: none">• Certified Estimate of Taxable Value updated by HCAD
August 2024	<ul style="list-style-type: none">• TEA provides maximum Compressed Tax Rate - M&O rate• Certified Taxable Value from HCAD
September 2024	<ul style="list-style-type: none">• Board of Trustees regular meeting - adoption of Tax Rate

APPROVAL FY2025 BUDGET

Budget Approval: June 24, 2024 Board Meeting

Anticipated Tax Rate:

Maintenance and Operations \$0.7719

Interest and Sinking \$0.3045

Tax Rate Adoption: Sept. 23, 2024 Board Meeting

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