

# BUDGET UPDATE

May 13, 2025



[www.killeenisd.org/budgetplanning](http://www.killeenisd.org/budgetplanning)



**Property Taxes**  
**Property Tax Values and Rates**  
**Killeen ISD**

|                                 | 2022 Certified *        | Change | 2023 Certified          | Change  | 2024 Certified          | Change | 2025 Preliminary **            | Change |
|---------------------------------|-------------------------|--------|-------------------------|---------|-------------------------|--------|--------------------------------|--------|
| <b>Assessed Value</b>           | \$ 16,678,296,053       | 19.50% | \$ 19,852,271,480       | 19.03%  | \$ 21,033,517,540       | 5.95%  | \$ 22,131,958,333              | 5.22%  |
| <b>Total Exemptions</b>         | \$ 4,543,842,437        | 25.40% | \$ 6,911,921,184        | 52.12%  | \$ 7,616,815,442        | 10.20% | \$ 8,200,753,445               | 7.67%  |
| <b>Net Taxable</b>              | \$ 12,134,453,616       | 17.43% | \$ 12,940,350,296       | 6.64%   | \$ 13,416,702,098       | 3.68%  | \$ 13,931,204,888              | 3.83%  |
| <b>Freeze Taxable/X-fer Adj</b> | \$ 783,094,041          | 5.20%  | \$ 603,358,109          | -22.95% | \$ 752,672,969          | 24.75% | \$ 888,129,242                 | 18.00% |
| <b>Freeze Adjusted Taxable</b>  | 11,351,359,575          | 18.38% | 12,336,992,187          | 8.68%   | 12,664,029,129          | 2.65%  | 13,043,075,646                 | 2.99%  |
| <b>Tax Rates:</b>               | <b>Adopted<br/>FY23</b> |        | <b>Adopted<br/>FY24</b> |         | <b>Adopted<br/>FY25</b> |        | <b>Anticipated **<br/>FY26</b> |        |
| <b>M&amp;O Tier 1 (MCR)</b>     | \$ 0.8046               |        | \$ 0.6192               |         | \$ 0.6182               |        | \$ 0.6182                      |        |
| <b>M&amp;O Tier 2</b>           | \$ 0.0500               |        | \$ 0.0500               |         | \$ 0.0500               |        | \$ 0.0500                      |        |
| <b>Total M&amp;O</b>            | \$ 0.8546               |        | \$ 0.6692               |         | \$ 0.6682               |        | \$ 0.6682                      |        |
| <b>I&amp;S</b>                  | \$ 0.1620               |        | \$ 0.1809               |         | \$ 0.2076               |        |                                |        |
| <b>Total Tax Rate</b>           | \$ 1.0166               |        | \$ 0.8501               |         | \$ 0.8758               |        |                                |        |

\* \$40,000 HS Exemption

\*\* as of April 28, 2025; includes all properties, including those under Appraisal Review Board (ARB) review

Tier 1: also known as Maximum Compressed Rate (MCR) funding the Basic Instructional Programs

Tier 2: also known as Enrichment or "golden" pennies; first 8 cents above the compressed tax rate receive a higher funding level

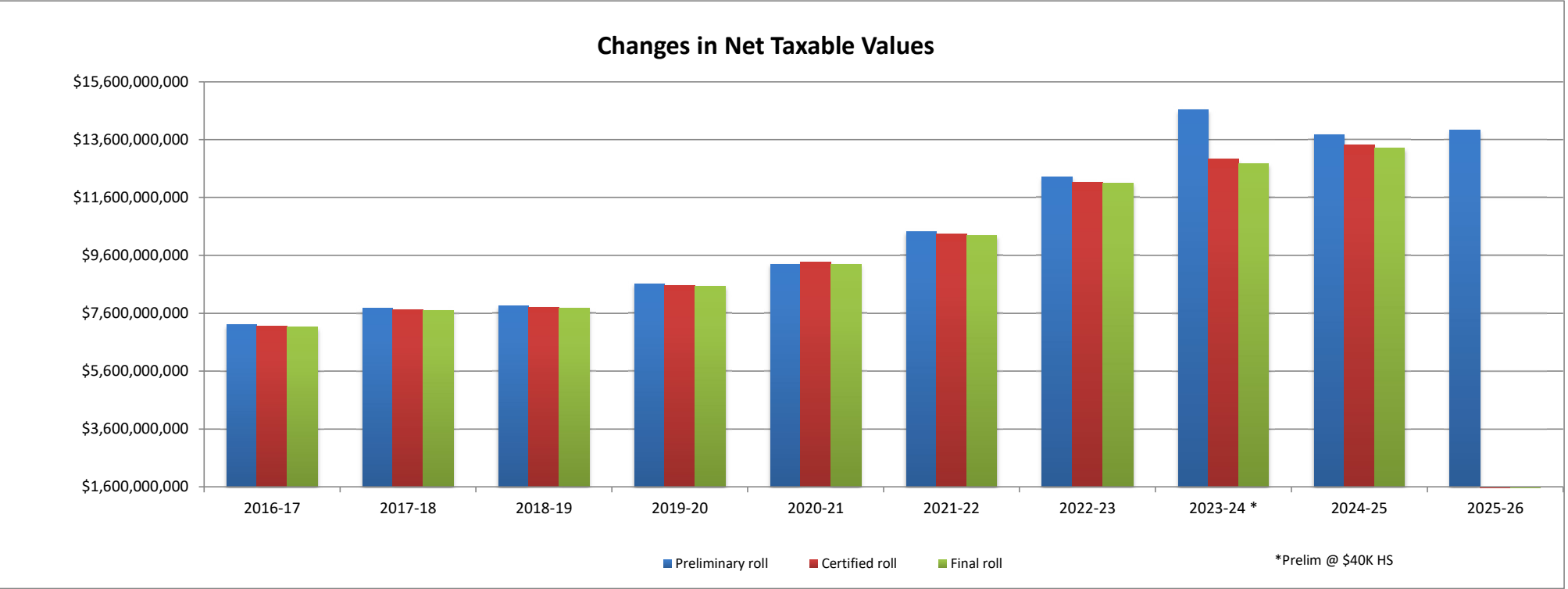


PROPERTY TAXES

Changes in Net Taxable Values

Killeen ISD

| Tax Year         | 2016             | 2017             | 2018             | 2019             | 2020             | 2021              | 2022              | 2023              | 2024              | 2025              |
|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Fiscal Yr        | 2016-17          | 2017-18          | 2018-19          | 2019-20          | 2020-21          | 2021-22           | 2022-23           | 2023-24 *         | 2024-25           | 2025-26           |
| Preliminary roll | \$ 7,203,055,534 | \$ 7,772,817,227 | \$ 7,850,545,399 | \$ 8,622,254,012 | \$ 9,304,031,562 | \$ 10,430,675,658 | \$ 12,311,735,094 | \$ 14,634,099,405 | \$ 13,768,344,564 | \$ 13,931,204,888 |
| Certified roll   | \$ 7,152,421,433 | \$ 7,718,051,803 | \$ 7,795,969,322 | \$ 8,562,186,862 | \$ 9,379,393,448 | \$ 10,333,569,790 | \$ 12,134,453,616 | \$ 12,940,350,296 | \$ 13,416,702,098 | \$ -              |
| Final roll       | \$ 7,134,301,781 | \$ 7,687,533,454 | \$ 7,771,452,212 | \$ 8,534,156,812 | \$ 9,288,951,187 | \$ 10,286,512,897 | \$ 12,106,430,096 | \$ 12,773,288,432 | \$ 13,307,472,426 | \$ -              |

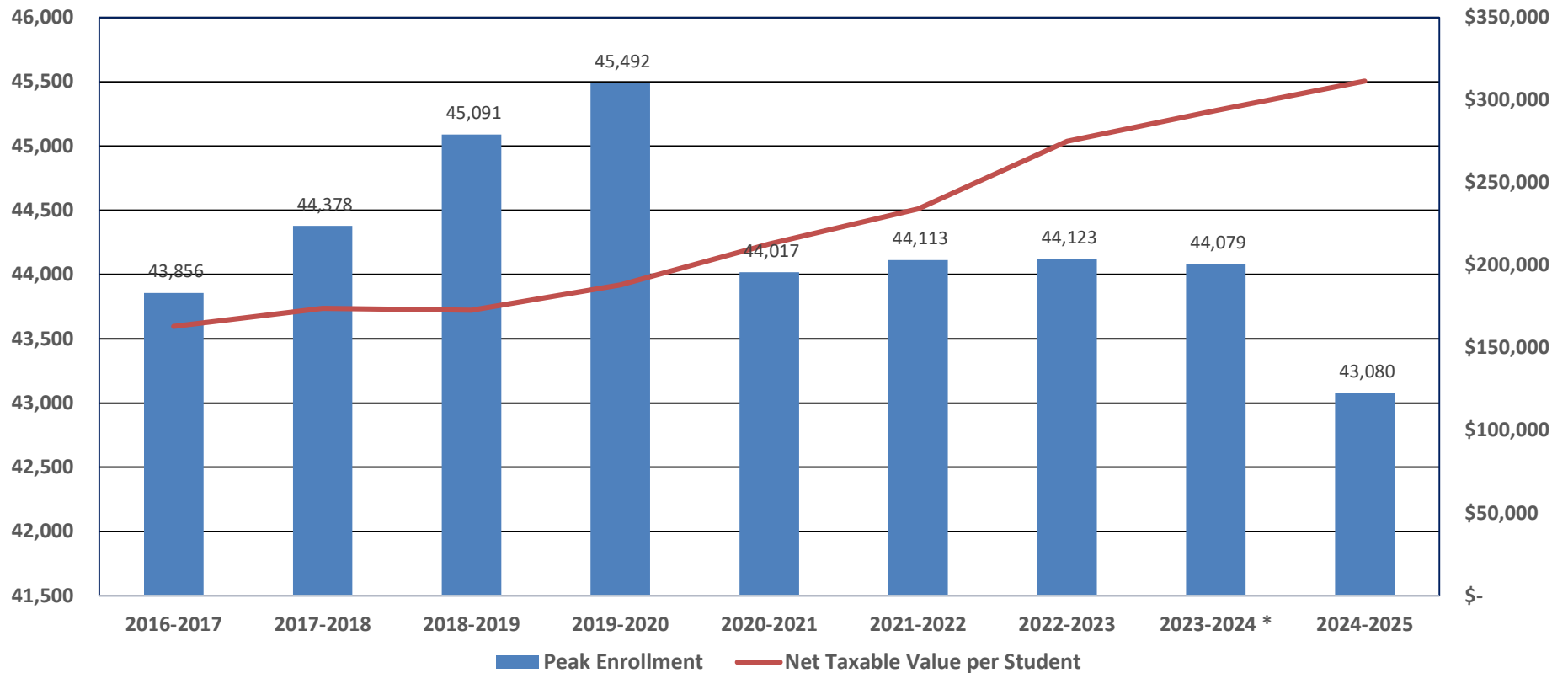


## PROPERTY TAXES

### *Changes in Net Taxable Values Per Student*

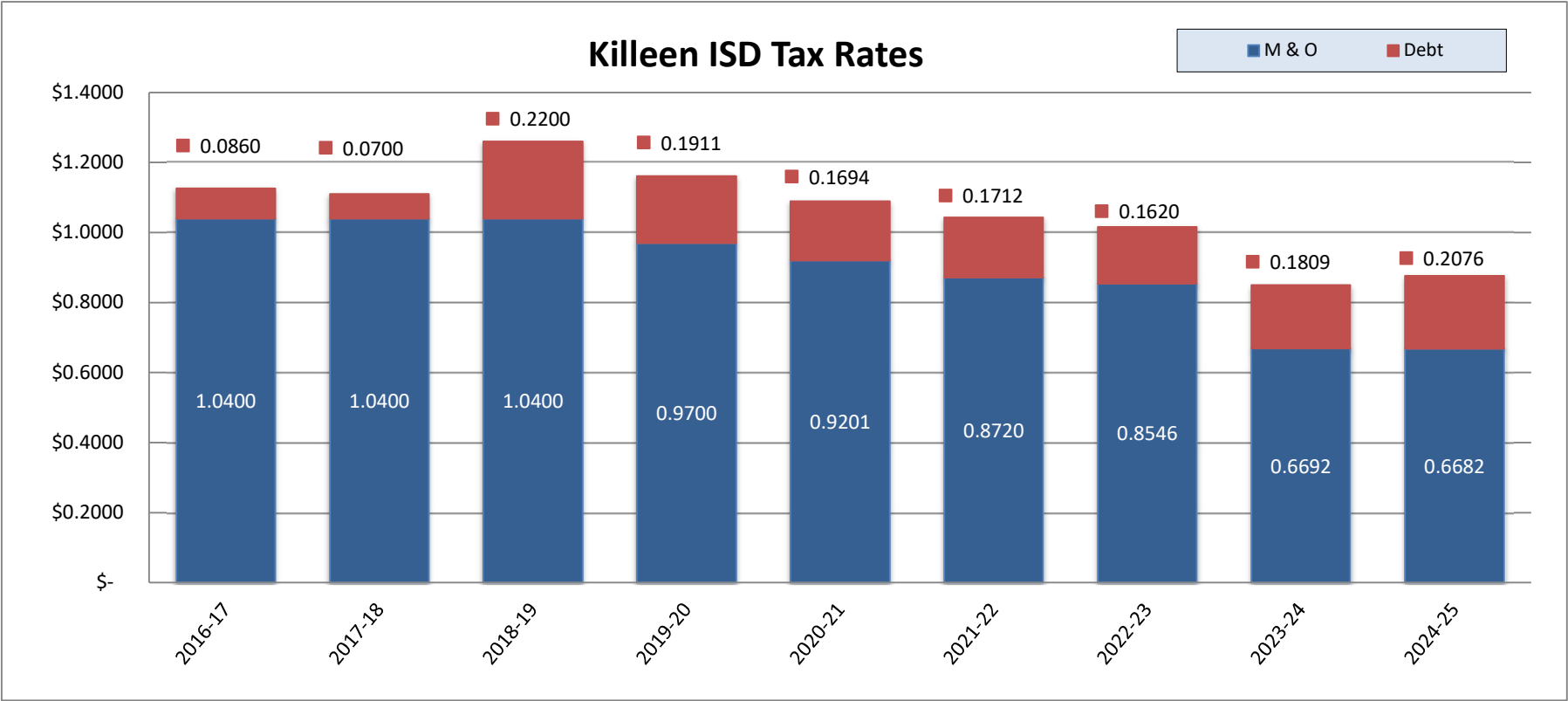
Killeen ISD

Net Taxable Value per Student



**Property Taxes**  
*Property Tax Rates*  
**Killeen ISD**

| Tax Year    | 2016      | 2017      | 2018      | 2019      | 2020      | 2021      | 2022      | 2023      | 2024      |
|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Fiscal Year | 2016-17   | 2017-18   | 2018-19   | 2019-20   | 2020-21   | 2021-22   | 2022-23   | 2023-24   | 2024-25   |
| M & O       | \$ 1.0400 | \$ 1.0400 | \$ 1.0400 | \$ 0.9700 | \$ 0.9201 | \$ 0.8720 | \$ 0.8546 | \$ 0.6692 | \$ 0.6682 |
| Debt        | \$ 0.0860 | \$ 0.0700 | \$ 0.2200 | \$ 0.1911 | \$ 0.1694 | \$ 0.1712 | \$ 0.1620 | \$ 0.1809 | \$ 0.2076 |
| Total       | \$ 1.1260 | \$ 1.1100 | \$ 1.2600 | \$ 1.1611 | \$ 1.0895 | \$ 1.0432 | \$ 1.0166 | \$ 0.8501 | \$ 0.8758 |



# HB 2 Highlights

- Basic allotment of \$6,555
- Freeze in golden penny yield increase at \$129.52
- Increased small / midsize allotments
- Updated special education weights, student counts, initial evaluation allotment
- No change to current law M&O hold harmless mechanisms
- Reduction in ASAHE for districts that collect more in I&S taxes and state aid than needed for minimum debt payment
- Salary increase required
- Coastal insurance allotment
- Payment on real time PEIMS ADA
- TIA increases

Biennial cost:  
\$7.6 billion



# Salary Provisions in HB2

- How much?
  - 40% of the increase in per ADA state and local FSP funding (state aid for M&O plus local M&O taxes minus recapture), excluding the school safety and insurance allotments between FY 2025 and FY 2026
- Who?
  - 75% of this total to teachers, counselors, nurses and librarians
  - 25% to non-administrators
- The 40% differential
  - There must be a 40% differential in the **average salary schedule increase** between:
    - Teachers with 10 or more years of experience
    - Teachers with 5 or more years of experience
  - Limit: You are not required to provide any employee more than a \$15,000 increase per year



# SB 26 Highlights

- Teacher Pay Increase

- 5,000 students or less: \$5k / teacher for 3 to <5 years and \$10k / teacher for 5 or more years
- 5,001 students or more: \$2,500 / teacher for 3 to < 5 years and \$5,500 per teacher for 5 or more years

- Increase in TIA funding

- State liability insurance for teachers

Biennial Cost:  
\$4.35 billion





## HB2 FY26 run comparison (SUBJECT TO CHANGE)

|                                 | FY26 4/25/2025  |                |                            |                   |                   |
|---------------------------------|-----------------|----------------|----------------------------|-------------------|-------------------|
|                                 | FY25<br>Adopted | FY<br>Current  | Omar's Current<br>Template | HB2 vs<br>Adopted | HB2 vs<br>Current |
| Average Daily Attendance (ADA)  | 38,859          | 38,530         | 38,530                     | (329)             | -                 |
| Regular Program Allotment       | \$ 216,301,914  | \$ 213,215,316 | \$ 226,887,402             | \$ 10,585,488     | \$ 13,672,086     |
| Special Program Allotments      | 136,385,729     | 135,547,143    | 143,196,947                | 6,811,218         | 7,649,804         |
| School Safety Allotment         | 1,183,585       | 1,180,300      | 1,180,300                  | (3,285)           | -                 |
| Local Share                     | (82,522,372)    | (79,944,612)   | (79,944,612)               | 2,577,760         | -                 |
| Tier 2 Golden Pennies           | 28,217,223      | 28,122,185     | 28,752,715                 | 535,492           | 630,530           |
| Total State Aid                 | 299,566,079     | 298,120,332    | 320,072,752                | 20,506,673        | 21,952,420        |
| Total Local M&O Revenue         | 85,306,681      | 81,335,956     | 81,335,956                 | (3,970,725)       | -                 |
| State Aid and Local Tax Revenue | \$ 384,872,760  | \$ 379,456,288 | \$ 401,408,708             | \$ 16,535,948     | \$ 21,952,420     |

|                                  |                |               |
|----------------------------------|----------------|---------------|
| Change from FY25 Original Budget | \$ (5,416,472) | \$ 16,535,948 |
| Change from FY25 Current Budget  |                | \$ 21,952,420 |

|                           |              |               |
|---------------------------|--------------|---------------|
| Change in special program | \$ 6,807,933 | \$ 7,649,804  |
| Change in regular program | \$ 9,728,015 | \$ 14,302,616 |

|   |    |           |                       |
|---|----|-----------|-----------------------|
| 40% Chap 48 Gain over PY (required pay increases) | \$ | 7,913,208 | Raise Amt off Adopted |
|   | \$ | 8,780,968 | Raise Amt off Current |

<sup>^</sup> Prop Value Growth used: 0.00%

**HB2 FY26:**

|    |             |   |
|----|-------------|---|
| \$ | 16,535,948  | <i>HB2 Add'l revenue vs budget</i>                              |
|    | (8,780,968) | <i>Req'd Raise 40% vs current/actual</i>                        |
| \$ | 7,754,980   | <i>Overall revenue change - State Aid and Local Tax Revenue</i> |

**Note:** Revenue estimates reflect state aid and local tax revenue only.

They do not include revenue sources such as Impact Aid, SHARS Medicaid, or other local revenues.