

BUDGET UPDATE

August 5, 2025



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GENERAL FUND

BUDGET ASSUMPTIONS

REVENUES

M&O tax rate of \$0.6682 for 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 \$59,160 (\$58,000 in FY25, \$57,000 in FY24)
Longevity stipends at FY25 criteria
Health insurance benefit of \$425 per month if taking KISD insurance and \$200 per month for those not taking KISD insurance
Teacher staffing ratios based on student projections at 18:1 for PK3; 23:1 for PK-4; 27:1 for grades 5-12
Additional 27 FTE's for middle math and reading PLC's
Position contingency of \$500,000
Student projections of 43,094 (decline of 2.83%) from prior year 44,353
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 94.0%
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

PROPERTY VALUE COMPARISON



| | 2022 Certified ^(a) | Change | 2023 Certified ^(b) | Change | 2024 Certified ^(b) | Change | 2025 Certified ^{(c),(d)} | Change |
|--------------------------|-------------------------------|--------|-------------------------------|---------|-------------------------------|--------|-----------------------------------|---------|
| Assessed Value | \$ 16,678,296,053 | 19.50% | \$ 19,852,271,480 | 19.03% | \$ 21,033,517,540 | 5.95% | \$ 22,068,289,129 | 4.92% |
| Total Exemptions | \$ 4,543,842,437 | 25.40% | \$ 6,911,921,184 | 52.12% | \$ 7,616,815,442 | 10.20% | \$ 9,399,414,737 | 23.40% |
| Net Taxable | \$ 12,134,453,616 | 17.43% | \$ 12,940,350,296 | 6.64% | \$ 13,416,702,098 | 3.68% | \$ 12,668,874,392 | -5.57% |
| Freeze Taxable/X-fer Adj | \$ 783,094,041 | 5.20% | \$ 603,358,109 | -22.95% | \$ 752,672,969 | 24.75% | \$ 426,475,958 | -43.34% |
| Freeze Adjusted Taxable | 11,351,359,575 | 18.38% | 12,336,992,187 | 8.68% | 12,664,029,129 | 2.65% | 12,242,398,434 | -3.33% |

(a) \$40,000 HS Exemption

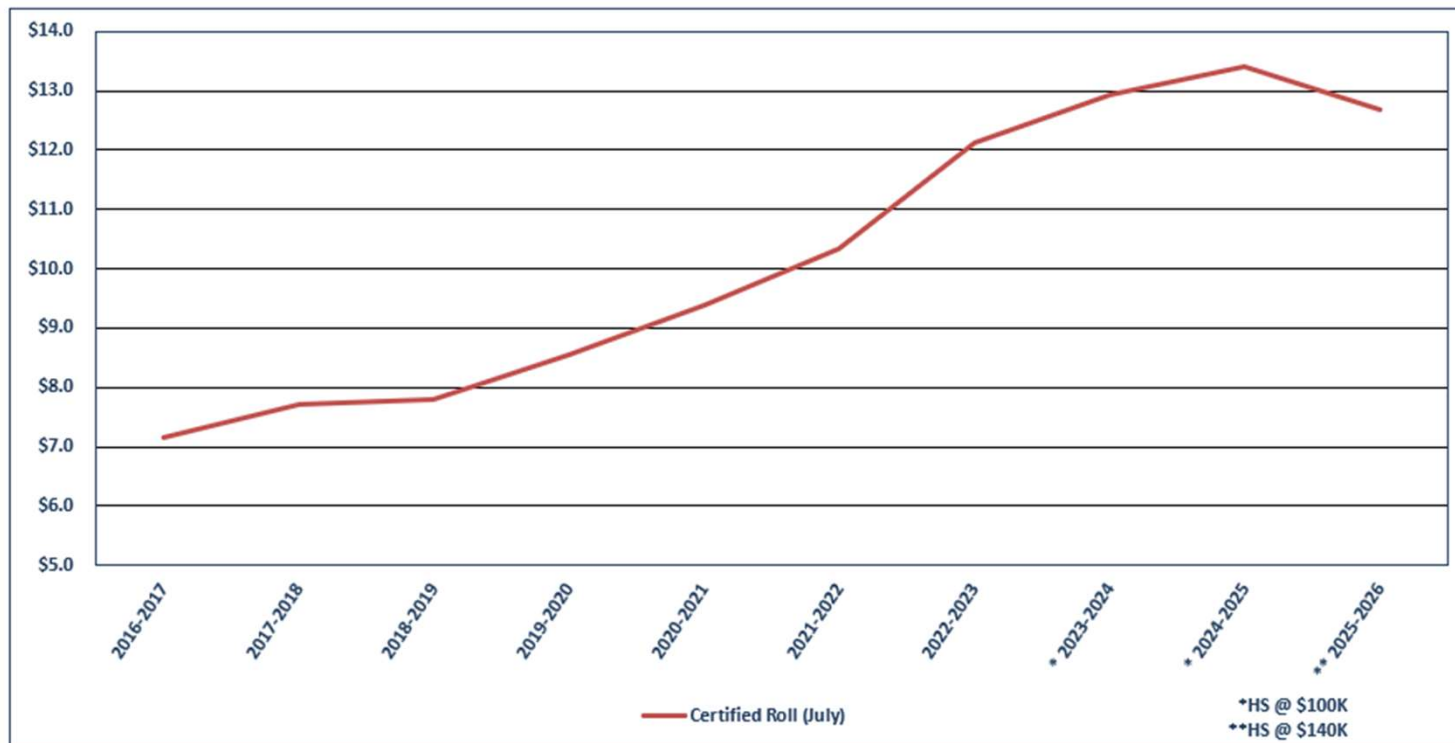
(b) \$100,000 HS Exemption

(c) \$140,000 HS Exemption

(d) as of July 22, 2025; includes all properties, including those under Appraisal Review Board (ARB) review

CHANGE IN NET TAXABLE VALUE (in billions)

| Tax Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|-------------|--------------|
| Fiscal Yr | 2016-2017 | 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 | 2022-2023 | * 2023-2024 | * 2024-2025 | ** 2025-2026 |
| Certified Roll (July) | \$ 7.15 | \$ 7.72 | \$ 7.80 | \$ 8.56 | \$ 9.38 | \$ 10.33 | \$ 12.13 | \$ 12.94 | \$ 13.42 | \$ 12.67 |



PROPERTY TAX RATE COMPARISON



| Tax Rates: | Adopted FY23 | Adopted FY24 | Adopted FY25 | Proposed FY26 |
|-------------------------|-----------------|-----------------|-----------------|------------------|
| M&O Tier 1 (MCR) | \$ 0.8046 | \$ 0.6192 | \$ 0.6182 | \$ 0.6182 |
| M&O Tier 2 (Enrichment) | \$ 0.0500 | \$ 0.0500 | \$ 0.0500 | \$ 0.0500 |
| Total M&O | \$ 0.8546 | \$ 0.6692 | \$ 0.6682 | \$ 0.6682 |
| I&S | \$ 0.1620 | \$ 0.1809 | \$ 0.2076 | |
| Total Tax Rate | \$ 1.0166 | \$ 0.8501 | \$ 0.8758 | |

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



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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