

# **BROWNSVILLE INDEPENDENT SCHOOL DISTRICT**

**BUDGET COMMITTEE MEETING**

**APRIL 16, 2025  
5:30 PM**

**BUDGET WORKSHOP #1**



# BUDGET POINTS TO REVIEW FIRST

- For the 2024-2025 FY, the District adopted a budget deficit of approximately \$23.6 million.
- Additionally, the District has committed to additional funding (from fund balance) for the following initiatives or needs:
  - \$2 million for Technology – student devices replacements
  - \$3 million for Maintenance – HVAC units replacements and repairs
  - \$500K for C&I – Priority School Funding
- The Board of Trustees approved a Retention Stipend (paid December 2024) to be paid using unassigned fund balance – total cost was \$5.5 million.
- Property Values, CAD vs. Comptroller – the County Appraisal District (CAD) certified property values were finally within 5% variance of the Comptroller's Property Value Study (PVS). Therefore, the Texas Education Agency (TEA) used local CAD property values to calculate the district's local share and state funding/aid (Foundation School Program, FSP).
- The district has reduced staff (+100 FTE's) in comparison to the prior year. This is in part due to the consolidation of three elementary campuses, as well as other reductions through attrition with reassignment of existing employees when possible.



# STUDENT ENROLLMENT vs. STAFFING

Acad Yr	Student/ All Staff Ratio	Student/ Teacher Ratio	Student/ Non-Teacher Ratio	Enrollment	Total # of Campuses	Maximum Capacity	% of Capacity	All Staff FTEs	Teacher FTEs	Non- Teacher FTEs
1997	6.76	15.00	12.32	40,494	41	46,722	86.7%	5,987	2,699	3,288
2008	6.66	14.67	12.19	48,837	48	52,715	92.6%	7,335	3,329	4,006
2015	6.47	14.51	11.67	48,355	54	59,115	81.8%	7,477	3,333	4,143
2016	6.58	14.64	11.96	47,749	54	59,115	80.8%	7,257	3,262	3,994
2017	6.81	15.10	12.41	46,880	54	59,115	79.3%	6,881	3,105	3,777
2018	6.85	15.42	12.32	45,578	53	58,140	78.4%	6,656	2,956	3,700
2019	6.71	15.25	11.98	44,402	53	58,140	76.4%	6,617	2,912	3,705
2020	6.63	15.05	11.85	43,028	50	56,820	75.7%	6,490	2,859	3,631
2021	6.50	14.80	11.60	40,768	50	56,820	71.7%	6,268	2,754	3,514
2022	6.28	14.46	11.09	38,448	50	56,820	67.7%	6,126	2,659	3,467
2023	6.38	14.71	11.28	37,898	50	56,820	66.7%	5,937	2,576	3,361
2024	6.27	14.76	10.90	37,065	50	56,820	65.2%	5,913	2,511	3,402



# STUDENT ATTENDANCE

Fiscal Year	Enrollment	Average Daily Attendance	Percentage of Attendance
2014	49,370	45,385	91.93%
2015	48,388	44,451	91.86%
2016	47,749	43,898	91.93%
2017	46,880	43,129	92.00%
2018	45,578	40,324	88.47%
2019	44,402	40,287	90.73%
2020	43,028	38,846	90.28%
2021	40,765	37,691	92.46%
2022	38,448	34,610	90.02%
2023	37,898	33,053	87.22%
2024	37,065	32,495	87.67%

**Average Daily Attendance (ADA)** – the total number of students who are in attendance each day of the school year for the entire school year is divided by the number of instructional days in the school year.

The FSP provides school districts with a basic level of funding through its ***Tier One*** allotments, which includes but is not limited to the following: regular basic education, special education (SPED), dyslexia, compensatory education, bilingual education, career and technology education (CTE), early education, college, career, or military readiness, teacher incentives, and transportation.

The basic allotment (BA) amount and the number of students in average daily attendance (ADA) are used to calculate a district's Tier One entitlement.

# STUDENT PROJECTIONS FOR 2025-2026 SY



Campus	EE	PK3	PK4	KG	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	2025-2026	2024-2025	DIFF.
Aiken	1	68	89	100	81	77	64	80	76	636	630	6
Benavides	2	84	88	100	96	111	107	104	113	805	818	-13
Breeden	2	43	49	55	53	70	63	67	84	486	511	-25
Brite	0	53	71	80	66	68	60	88	86	572	584	-12
Burns	2	77	80	82	88	74	55	95	91	644	651	-7
Canales	1	44	63	70	87	96	79	98	79	617	632	-15
Champion	1	46	85	92	76	93	91	112	92	688	710	-22
Cromack-Castaneda	0	36	84	95	100	105	120	123	102	765	823	-58
Del Castillo-Morningside	1	25	53	61	80	58	70	82	71	501	526	-25
Egly	1	39	56	60	62	54	82	72	78	504	521	-17
El Jardin	0	18	46	50	48	46	47	63	59	377	390	-13
Gallegos	0	28	46	51	45	50	42	49	52	363	390	-27
Garden Park	1	24	31	33	57	39	39	61	58	343	372	-29
Garza at Southmost	2	16	53	59	79	79	69	75	64	496	524	-28
Gonzalez	0	32	66	72	80	73	74	77	84	558	596	-38
Hudson	2	78	88	95	92	94	107	96	87	739	751	-12

# STUDENT PROJECTIONS FOR 2025-2026 SY



Campus	EE	PK3	PK4	KG	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	2025-2026	2024-2025	DIFF.
Keller	1	45	55	62	59	71	62	74	76	505	537	-32
Martin	1	28	46	50	52	58	51	58	59	403	415	-12
Ortiz	2	45	72	82	73	78	60	70	74	556	564	-8
Palm Grove	1	18	29	30	39	30	47	40	46	280	294	-14
Paredes	2	84	90	100	115	101	100	92	99	783	798	-15
Pena	1	44	70	76	58	73	62	58	71	513	501	12
Perez	3	52	66	75	88	76	85	78	70	593	615	-22
Pullam	2	70	82	94	102	119	116	115	133	833	889	-56
Putegnat	1	32	36	35	72	59	67	53	57	412	444	-32
Russell	0	16	44	46	51	53	57	53	62	382	418	-36
Sharp	1	23	45	47	57	45	61	70	57	406	432	-26
Skinner	0	24	36	34	44	42	45	48	48	321	341	-20
Vermillion	0	63	81	90	90	82	79	74	101	660	655	5
Villa Nueva	2	23	36	39	40	46	35	51	53	325	346	-21
Yturria	2	53	55	62	62	66	51	77	79	507	526	-19
<b>Elementary Totals</b>	<b>35</b>	<b>1331</b>	<b>1891</b>	<b>2077</b>	<b>2192</b>	<b>2186</b>	<b>2147</b>	<b>2353</b>	<b>2361</b>	<b>16573</b>	17204	<b>-631</b>

# STUDENT PROJECTIONS FOR 2025-2026 SY



Campus	Grade 6	Grade 7	Grade 8	2025-2026	2024-2025	Diff.
Besteiro	132	181	195	508	558	-50
Faulk	262	293	266	821	885	-64
Garcia	222	290	267	779	870	-91
Lucio	183	207	201	591	629	-38
Manzano	324	263	294	881	838	43
Oliveira	194	223	217	634	701	-67
Perkins	177	133	164	474	480	-6
Stell	223	254	231	708	733	-25
Stillman	300	273	311	884	964	-80
Vela	248	227	200	675	658	17
JJAEP - MS	0	0	1	1	2	-1
<b>Middle Schools Totals</b>	<b>2265</b>	<b>2344</b>	<b>2347</b>	<b>6956</b>	<b>7318</b>	<b>-362</b>

# STUDENT PROJECTIONS FOR 2025-2026 SY



Campus	Grade 9	Grade 10	Grade 11	Grade 12	2025-2026	2024-2025	Diff.
BECHS	75	70	78	75	298	311	-13
Hanna	442	465	532	470	1909	2039	-130
Lopez	470	445	418	362	1695	1739	-44
Pace	463	397	406	410	1676	1623	53
Porter	458	405	341	391	1595	1544	51
Rivera	533	510	554	529	2126	2151	-25
Veterans	544	503	537	628	2212	2216	-4
JJAEP - HS	3	2	3	2	10	6	4
<b>High Schools Totals</b>	<b>2988</b>	<b>2797</b>	<b>2869</b>	<b>2867</b>	<b>11521</b>	<b>11629</b>	<b>-108</b>

	2025-2026	2024-2025	Diff.
Elementary	16573	17204	-631
Middle School	6956	7318	-362
High School	11521	11629	-108
	<b>35050</b>	36151	<b>-1101</b>

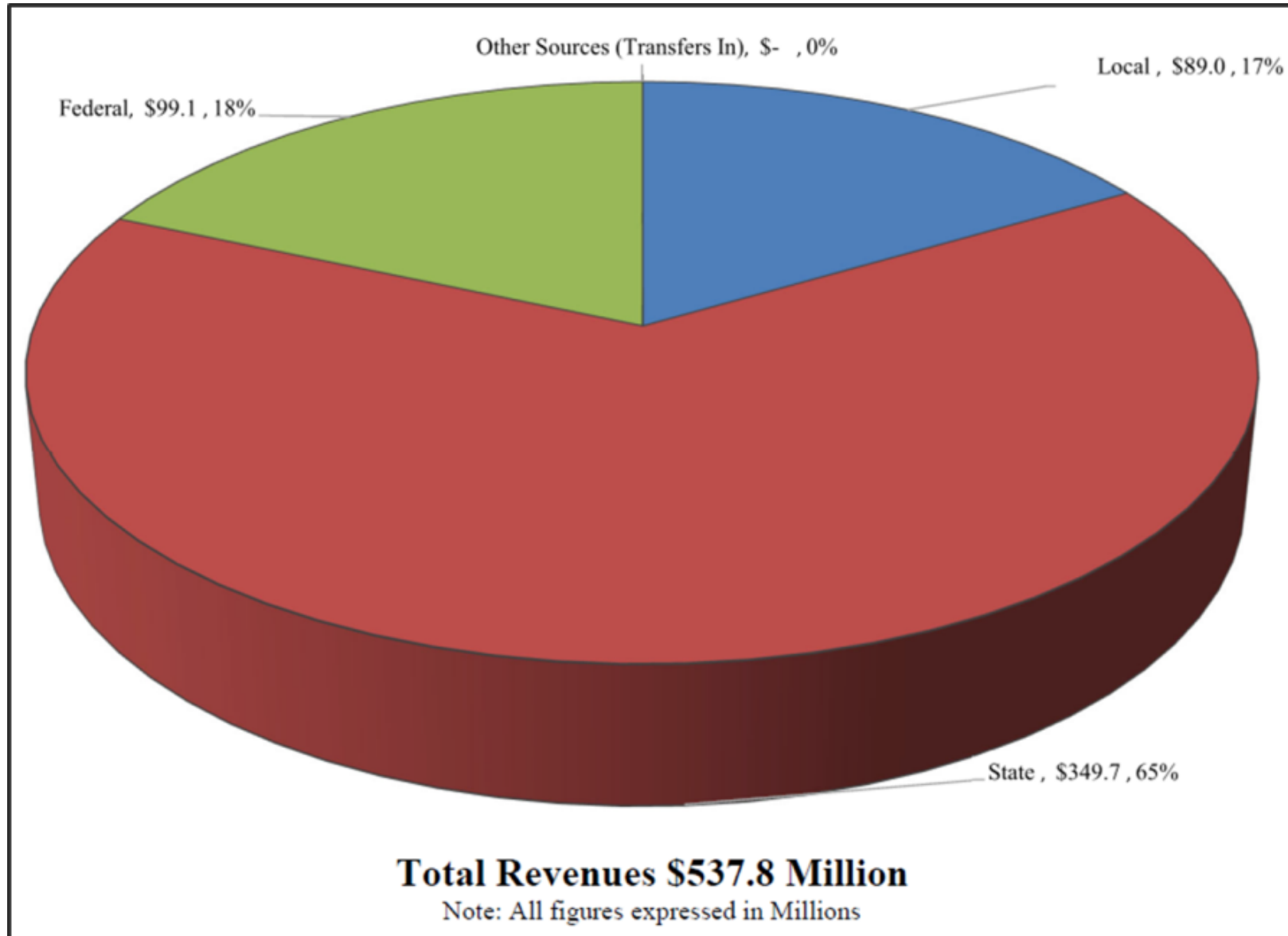


# HOW DO SCHOOL DISTRICTS RECEIVE THEIR FUNDING?



- **State Funding** – the Foundation School Program (FSP) is a state program that establishes the amount of state funding due to school districts under Texas school finance law. It is administered by the Texas Education Agency (TEA).
- **Local Funding** – every year the County Appraisal District (CAD) provides the District with the certified property values in July. The District then uses those certified values to adopt an M&O and I&S property tax rates. The M&O tax rate provides funds for the maintenance and operations costs of the school district. The I&S tax rate provides funds for payment on the debt (bonds) that the District issued to finance facilities and capital expenditures.
- **Federal Funding** – school districts receive federal funding through various grants, competitive and non-competitive, issued by the TEA, federal government, and other entities.  
(ex. ESSA/ESEA [Title I, Title II, Title III, Title IV], IDEA-B, Perkins, 21<sup>st</sup> Century, School Safety, IMA, ESSER, etc.)

# 2024-2025 PROJECTED REVENUE (BY SOURCE)



# 2024-2025 ADOPTED BUDGET PROJECTED REVENUES & EXPENDITURES



FUND NO.	DESCRIPTION	OPERATING REVENUES	FUND BALANCE	OTHER SOURCE	BUDGET REVENUES	OPERATING EXPENDITURES	OTHER USE	BUDGET EXPENDITURES
101	Food Service	\$ 41,500,000	\$ -	\$ -	\$ 41,500,000	\$ 41,500,000	\$ -	\$ 41,500,000
	Sub Total Food Service	\$ 41,500,000	\$ -	\$ -	\$ 41,500,000	\$ 41,500,000	\$ -	\$ 41,500,000
161	Local Deaf	336,250	148,755	-	485,005	485,005	-	485,005
162	State Compensatory	29,590,550	1,656,465	-	31,247,015	31,247,015	-	31,247,015
163	State Bilingual	4,888,576	375,996	-	5,264,572	5,264,572	-	5,264,572
164	State Career & Technical Education	11,905,518	1,021,158	-	12,926,676	12,926,676	-	12,926,676
165	Athletics	11,746,657	660,010	-	12,406,667	12,406,667	-	12,406,667
166	State Special Education	40,345,886	8,102,320	-	48,448,206	48,448,206	-	48,448,206
167	Teacher Incentive Allotment	9,609,575	-	-	9,609,575	9,609,575	-	9,609,575
188	Tax Rate Increase	-	-	-	-	-	-	-
197	Projects	2,887,000	-	-	2,887,000	2,887,000	-	2,887,000
199	Local Maintenance	315,190,126	11,677,586	-	326,867,712	326,867,712	-	326,867,712
	Sub Total - General Fund w/o Food Service	\$ 426,500,138	\$ 23,642,290	\$ -	\$ 450,142,428	\$ 450,142,428	\$ -	\$ 450,142,428
	Total for General Fund	\$ 468,000,138	\$ 23,642,290	\$ -	\$ 491,642,428	\$ 491,642,428	\$ -	\$ 491,642,428

# 2024-2025 ADOPTED BUDGET (CONTINUED)

206	McKinney-Vento Homeless Asst. Act	174,831	-	-	174,831	174,831	-	174,831
211	ESEA Title 1 Part A - Improving Basic	27,948,616	-	-	27,948,616	27,948,616	-	27,948,616
212	ESEA Title 1 Part C - Migrant	571,505	-	-	571,505	571,505	-	571,505
224	I.D.E.A. - B, Formula	7,812,416	-	-	7,812,416	7,812,416	-	7,812,416
225	I.D.E.A. - B, Pre School	115,699	-	-	115,699	115,699	-	115,699
244	Career & Technical Education-Basic	752,060	-	-	752,060	752,060	-	752,060
255	ESEA Title II Part A TPTR	2,795,826	-	-	2,795,826	2,795,826	-	2,795,826
263	ESEA Title III Part A Lang Acq & Ent	1,705,720	-	-	1,705,720	1,705,720	-	1,705,720
265	21st Century Grant	2,663,854	-	-	2,663,854	2,663,854	-	2,663,854
274	GEAR UP	691,393	-	-	691,393	691,393	-	691,393
278	ARP Homeless I	150,653	-	-	150,653	150,653	-	150,653
279	ESSER III - TCclass	17,979	-	-	17,979	17,979	-	17,979
280	Texas Homeless ED	440,061	-	-	440,061	440,061	-	440,061
282	ESSER III ARP ACT	-	-	-	-	-	-	-
289	Title IV, Part A - SSAEP	3,548,800	-	-	3,548,800	3,548,800	-	3,548,800
309	SSA-Adult Basic Ed - Federal	1,429,963	-	-	1,429,963	1,429,963	-	1,429,963
315	SSA-IDEA-B Discretionary	102,639	-	-	102,639	102,639	-	102,639
340	SSA-IDEA-C Early Intervention Deaf	-	-	-	-	-	-	-
410	Instructional Material Allotment	4,221,473	-	-	4,221,473	4,221,473	-	4,221,473
429	State Funded Grants	93,656	-	-	93,656	93,656	-	93,656
435	SSA-Regional School for the Deaf	558,494	-	-	558,494	558,494	-	558,494
459	School Safety Standards	655,307	-	-	655,307	655,307	-	655,307
499	Locally Funded Special Revenue	163,383	-	-	163,383	163,383	-	163,383
511	Debt Service	13,233,150	-	-	13,233,150	13,233,150	-	13,233,150
Sub Total Federal/State Funds		\$ 69,847,478	\$ -	\$ -	\$ 69,847,478	\$ 69,847,478	\$ -	\$ 69,847,478
Grand Total		\$ 537,847,616	\$ 23,642,290	\$ -	\$ 561,489,906	\$ 561,489,906	\$ -	\$ 561,489,906

# 2024-2025 ADOPTED BUDGET (BY FUNCTION & OBJECT CODE SUMMARY)



Function		Object							Total Amount	Percent
		Payroll Cost	Professional Contracted	Supplies/ Materials	Other Oper. Costs	Debt Service	Capital Outlay	Other Uses		
		6100	6200	6300	6400	6500	6600	8900		
11	Instruction	265,618,689	2,447,695	17,887,921	2,874,634	-	31,053	-	288,859,992	51.4%
12	Instr. Res./Media Serv.	8,226,925	411,292	339,834	11,850	-	40,000	-	9,029,901	1.6%
13	Instructional Staff Dev.	8,156,873	3,362,632	2,961,622	1,304,222	-	-	-	15,785,349	2.8%
21	Instructional Leadership	5,751,221	178,608	236,033	184,917	-	5,883	-	6,356,662	1.1%
23	Campus Leadership	25,838,244	163,846	386,604	420,515	-	-	-	26,809,209	4.8%
31	Guidance & Couns. Serv.	19,898,864	646,360	721,256	155,983	-	-	-	21,422,463	3.8%
32	Social Services	105,233	250,000	16,500	14,500	-	-	-	386,233	0.1%
33	Health Services	5,242,652	103,500	119,217	7,980	-	-	-	5,473,349	1.0%
34	Transportation	11,471,621	569,193	1,279,066	540,890	-	-	-	13,860,770	2.5%
35	Food Services	20,578,782	819,919	18,637,499	150,000	-	2,281,600	-	42,467,800	7.6%
36	Co-Curricular Activities	10,166,318	1,279,883	2,818,331	5,869,874	-	160,000	-	20,294,406	3.6%
41	General Administration	8,615,065	1,999,173	641,239	1,295,830	-	-	-	12,551,307	2.2%
51	Maintenance and Operations	25,511,483	17,963,782	4,924,940	4,549,530	-	324,061	-	53,273,796	9.5%
52	Security and Monitoring Serv.	8,670,549	151,243	487,856	97,677	-	-	-	9,407,325	1.7%
53	Data Processing Services	3,076,218	4,645,988	1,417,595	19,267	-	387,632	-	9,546,700	1.7%
61	Community Services	3,144,382	512,978	694,442	289,199	-	-	-	4,641,001	0.8%
71	Debt Service	-	-	-	-	19,799,643	-	-	19,799,643	3.5%
81	Construction/Renovation	-	-	-	-	-	290,000	-	290,000	0.1%
95	JJAEP	-	49,000	-	-	-	-	-	49,000	0.0%
99	Other Intergovernmental Charges	-	1,185,000	-	-	-	-	-	1,185,000	0.2%
00	Other Use of Funds	-	-	-	-	-	-	-	-	0.0%
<b>Total</b>		<b>430,073,119</b>	<b>36,740,092</b>	<b>53,569,955</b>	<b>17,786,868</b>	<b>19,799,643</b>	<b>3,520,229</b>	<b>-</b>	<b>561,489,906</b>	<b>100.0%</b>
<b>Percent</b>		<b>76.6%</b>	<b>6.5%</b>	<b>9.5%</b>	<b>3.2%</b>	<b>3.5%</b>	<b>0.6%</b>	<b>0.0%</b>		<b>100.0%</b>



**Brownsville Independent School District**  
**Adopted Property Tax Rates**  
**Last Ten Fiscal Years**  
**(Rate per \$100 Valuation)**

<b>Tax Year</b>	<b>Fiscal Year</b>	<b>Maintenance and Operations</b>	<b>Interest and Sinking</b>	<b>Total Tax Rate</b>
2024	2024-2025	\$ 0.786900	\$ 0.241764	\$ 1.028664
2023	2023-2024	\$ 0.789200	\$ 0.241764	\$ 1.030964
2022	2022-2023	\$ 1.056800	\$ 0.151890	\$ 1.208690
2021	2021-2022	\$ 1.039300	\$ 0.135700	\$ 1.175000
2020	2020-2021	\$ 1.025400	\$ 0.150472	\$ 1.175872
2019	2019-2020	\$ 1.057000	\$ 0.129706	\$ 1.186706
2018	2018-2019	\$ 1.152500	\$ 0.112500	\$ 1.265000
2017	2017-2018	\$ 1.152500	\$ 0.112500	\$ 1.265000
2016	2016-2017	\$ 1.152500		\$ 1.152500
2015	2015-2016	\$ 1.152500	\$ -	\$ 1.152500
2014	2014-2015	\$ 1.040000	\$ 0.105666	\$ 1.145666



# Brownsville Independent School District

## General Fund

### Unassigned Fund Balance History

**CURRENT**

#### Fiscal Year

Fiscal Year Net Change:	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025*
Unassigned Fund Balance - Beginning, July 1	\$ 79,109,837	\$ 83,615,675	\$ 87,745,137	\$ 105,777,890	\$ 132,223,130	\$ 131,104,179	\$ 121,485,096
Increase/(Decrease)	\$ 4,505,838	\$ 4,129,462	\$ 18,032,753	\$ 26,445,240	\$ (1,118,951)	\$ (9,619,083)	\$ (23,642,290)*
Unassigned Fund Balance - Ending, June 30	\$ 83,615,675	\$ 87,745,137	\$ 105,777,890	\$ 132,223,130	\$ 131,104,179	\$ 121,485,096	\$ 87,842,806

\*\$2 million for Technology, \$3 million for Maintenance, \$500K million for Priority School Funding and \$1 million for Property Insurance deductible will be designated from unassigned fund balance for use in the next 3 fiscal years (24-25 to 26-27 FY).

**Notes:** Board Policy DEC(LOCAL) requires that the District hold an unreserved and undesignated general fund balance of 75 days of the average daily expenditures of general fund expenditures.

The Texas Education Agency (TEA) maintains some guidance related to district savings in the Financial Integrity Ratings System of Texas (FIRST). FIRST rating indicator #6 requires school districts to have either: 1) less than 25% decline in fund balance over three years, or 2) have 75 days operating expenditures maintained in fund balance. FIRST rating indicator #7 requires school districts to have 90 days of cash on hand or current investments in the general fund to receive full points for this indicator.

# CHALLENGES IN PUBLIC SCHOOL FUNDING



- **Basic Allotment Unchanged** – the District’s Basic Allotment (BA) has not changed since 2019 (\$6,160). Remember that the BA and ADA are used to calculate a district’s Tier One allotments. However, since 2019, the District has seen a decrease in enrollment and attendance, while an increase in maintenance and operations costs (ex. Increases in general instructional supplies, cost of food, maintenance supplies, HVAC, fuel cost, salary increases).
- **Additional State Funding on the Table in 89<sup>th</sup> Legislative Session** – in the current legislative session, the most notable bill addressing additional funding for public education is House Bill 2. Some of the main issues addressed that would impact the District is increasing the Basic Allotment, increasing funding for special education, early education, fine arts, ADSY, and additional funding to address property insurance increases in premiums for specific (based on geographic location) districts/regions.
- **SHARS & HHSC Adjustment** – The Texas Health and Human Services Commission (HHSC) made an adjustment to the District’s FFY2022 SHARS Cost Report. This adjustment has reduced the final settlement amount by approximately \$4.3 million. The District is currently appealing this adjustment. If the adjustment remains in place, it will affect (decrease) SHARS revenue projections for 2024-2025 FY.



# UPDATE ON 89<sup>TH</sup> LEGISLATIVE SESSION



## Key Dates in Session

- **March 14:** Bill filing deadline
- **May 12:** Last day for House committees to report HB/HJR
- **May 16:** Last day for the House to vote out HB/HJR
- **May 24:** Last day for the House committees to report SB/SJR
- **May 28:** Last day for the House to vote out SB/SJR. Last day for the Senate to consider all bills/JR.
- **June 2:** Sine Die
- **June 22:** Last day the governor can sign or veto bills passed.

# UPDATE ON 89<sup>TH</sup> LEGISLATIVE SESSION



The *Legislative Report* is a publication of the Texas Association of School Boards

April 14, 2025

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## House to vote Wednesday on school funding, vouchers

The House Calendars Committee has passed both HB 2 (Buckley) and SB 2 (Buckley) out of committee and scheduled both bills for consideration by the full House on Wednesday. The committee placed HB 2, related to school funding, on the Major State Calendar on a vote of 7-4, while they placed SB 2, related to education savings accounts, on the Emergency Calendar—given its status as an emergency item listed by the governor—on a vote of 6-5.

# UPDATE ON 89<sup>TH</sup> LEGISLATIVE SESSION



Provision	Current Law	HB 2, As Substituted
<p><b>Basic Allotment</b></p>	<p>The basic allotment is set at <b>\$6,160</b> under current law. (TEC Sec. 48.051)</p> <p>Current law does not include any automatic increase to the basic allotment.</p>	<p>The bill would increase the basic allotment to <b>\$6,555</b>.</p> <p>The bill pays for \$55 of that basic allotment increase by reallocating around <b>\$800 million</b> that would have been used under current law to increase the golden penny yield.</p> <p>The bill also redirects future increases to the golden penny yield under current law into the basic allotment. (Sections 1.17, 1.26)</p>
<p><b>Special Education Adjusted Allotment</b></p>	<p>Current law funds special education based on the instructional arrangement in which the student is educated. (TEC Sec. 48.102)</p>	<p>The bill makes significant changes to special education funding.</p> <p>The bill would change the special education adjusted allotment to be based on the intensity of services-based model.</p> <p>The bill directs the commissioner to establish eight tiers of intensity of service (including speech and residential treatment). The bill does not specify the associated funding weights for each tier, but does provides some direction to TEA in how to define the tiers.</p> <p>For example, when setting the tiers, the commissioner shall consider the required certifications or other qualifications for personnel serving the student, provider-to-student ratios, and any equipment or technology required for services.</p>

# UPDATE ON 89<sup>TH</sup> LEGISLATIVE SESSION



Provision	Current Law	HB 2, As Substituted
<p><b>Additional Days School Year (ADSY) Incentive</b></p>	<p>Current law requires that districts have 180 non-ADSY days in their base calendar.</p> <p>Current law only allows K-5<sup>th</sup> grade campuses to generate ADSY funding.</p> <p>There is no additional ADSY funding if districts offer more days in their base calendar. (TEC Sec. 48.0051)</p>	<p>The bill would make changes to the ADSY incentive in several ways:</p> <p>The bill would lower the required number of non-ADSY days in the district's base calendar to 175. (Section 1.15)</p> <p>The bill would expand ADSY eligible campuses to include middle schools (i.e. through 8<sup>th</sup> grade). (Section 1.15)</p> <p>The bill would allow for a 50 percent increase to ADSY funding for districts that provide at least 200 full days of instruction. (Section 1.15)</p> <p>The bill includes a grant program to support districts qualifying for ADSY incentive funding. (Section 1.07)</p>
<p><b>Prekindergarten</b></p>	<p>Current law only recognizes certain groups for state-funded prekindergarten. These groups include economically disadvantaged, English language learners, children of first responders, etc. (TEC Sec. 29.153)</p> <p>No students are eligible for full-day funding under current law.</p>	<p>The bill expands the list of students eligible for state-funded prekindergarten (i.e. generate ADA under the Foundation School Program) to include those who participate in the program through a partnership that receives funding from the Texas Workforce Commission (TWC).</p> <p>The bill would also clarify that these prekindergarten partnerships are only subject to municipal ordinances related to private prekindergarten programs. (Section 1.09)</p> <p>The bill would also make prekindergarten students participating in TWC-supported programs eligible for full-day funding. (Section 1.14)</p>

# UPDATE ON 89<sup>TH</sup> LEGISLATIVE SESSION



Provision	Current Law	HB 2, As Substituted
<p><b>Property Tax Relief Hold Harmlesses</b></p>	<p>Current law provides separate hold harmlesses to offset the impact of:</p> <ul style="list-style-type: none"> <li>• Additional tax compression resulting from SB 2 (88<sup>th</sup> Legislature, 2<sup>nd</sup> Called Session). This hold harmless used current law funding elements. (TEC Sec. 48.283)</li> <li>• Increases to the homestead exemption from \$40,000 to \$100,000 resulting from SB 2 (88<sup>th</sup> Legislature, 2<sup>nd</sup> Called Session). This hold harmless used funding elements as of September 1, 2022. (TEC Sec. 48.2543)</li> <li>• Increases to the homestead exemption from \$25,000 to \$40,000 resulting from SB 1 (87<sup>th</sup> Legislature, 3rd Called Session). This hold harmless used funding elements as of September 1, 2021. (TEC Sec. 48.2543)</li> <li>• Reductions to the tax levy for homeowners that are over 65 or disabled resulting from SB 12 (87<sup>th</sup> Legislature, 1<sup>st</sup> Called Session). This hold harmless used current law funding elements. (TEC Sec. 48.2542)</li> </ul>	<p>The bill combines several property tax relief-related hold harmlesses into one. The new <i>Additional State Aid for Certain Districts</i> would address the following:</p> <ul style="list-style-type: none"> <li>• Additional tax compression resulting from SB 2 (88<sup>th</sup> Legislature, 2<sup>nd</sup> Called Session). <b>This hold harmless now uses funding elements as of September 1, 2022.</b></li> <li>• Increases to the homestead exemption from \$40,000 to \$100,000 resulting from SB 2 (88<sup>th</sup> Legislature, 2<sup>nd</sup> Called Session). <b>This hold harmless now uses funding elements as of September 1, 2022.</b></li> <li>• The bill <b>repeals</b> the homestead exemption from \$25,000 to \$40,000 resulting from SB 1 (87<sup>th</sup> Legislature, 3rd Called Session).</li> <li>• Reductions to the tax levy for homeowners that are over 65 or disabled resulting from SB 12 (87<sup>th</sup> Legislature, 1<sup>st</sup> Called Session). <b>This hold harmless now uses funding elements as of September 1, 2022.</b></li> </ul>

# UPDATE ON 89<sup>TH</sup> LEGISLATIVE SESSION



Provision	Current Law	HB 2, As Substituted
<b>Additional State Aid for Regional Insurance Cost Differentials</b>	Current law does not provide additional state aid for regional insurance cost differentials.	<p>The bill provides new state aid for districts that are in first tier coastal counties or catastrophe areas (you can see a map of the areas included <a href="#">here</a>). (Section 1.29)</p> <p>The district or charter must have their central administrative office or the majority of campuses in the eligible area described previously.</p> <p>Eligible districts would receive the difference between:</p> <ul style="list-style-type: none"><li>(1) the average amount paid for property and casualty insurance per ADA by schools in the same county/catastrophe area; and</li><li>(2) the average amount paid for property and casualty insurance per ADA by schools statewide.</li></ul> <p>The ADA figure used in the calculation above would be adjusted for small and mid-sized districts. (Section 1.29)</p>

# UPDATE ON 89<sup>TH</sup> LEGISLATIVE SESSION



Provision	Current Law	HB 2, As Substituted
<p><b>Required Compensation Increases</b></p>	<p>Current law requires that, in any year in which the basic allotment is increased, a district must allocate 30 percent of the per student year-over-year gains toward compensation increases.</p>	<p>The bill would increase the percentage of any funding gain that must go to required compensation increases to <b>40 percent</b>. (Section 1.17)</p>
<p><b>Required Compensation Increases</b> <i>(cont.)</i></p>	<p><b>75 percent</b> of the gains must go to <u>compensation</u> increases for teachers, counselors, librarians and nurses. <b>25 percent</b> of the gains must go to <u>compensation</u> increases for other employees. (TEC Sec. 48.051)</p>	<p>The bill revises the distribution such that <b>75 percent</b> of the gain identified above must go to <u>salary</u> increases paid to classroom teachers only. The remaining <b>25 percent</b> may be used to increase <u>compensation</u> paid to other full-time district employees, including counselors, librarians and nurses. (Section 1.17)</p> <p>The bill would require that the salary increase for teachers must prioritize teachers with 10 or more years of experience. Average salary increases for teachers with 10 or more years of experience must be 40 percent higher than average salary increases for teachers with 5 or more years of experience. Districts can also prioritize salary increases in accordance with its enhanced local optional designation system. (Section 1.17)</p> <p>Districts would not be required to provide compensation increases to employees with a lower annual performance rating than what the employee received in the prior year. (Section 1.17)</p>

# UPDATE ON 89<sup>TH</sup> LEGISLATIVE SESSION



## Bills on the Move | Finance

	1 <sup>st</sup> Committee	1 <sup>st</sup> Chamber	2 <sup>nd</sup> Committee	2 <sup>nd</sup> Chamber	Governor
<b>HB 2</b> <i>Omnibus school finance bill</i>	Approved as substituted 4/3				
<b>HB 124</b> <i>School safety allotment increase</i>	Approved as substituted 4/3				
<b>HB 222</b> <i>Allows school safety funding to be used for class room mgmt. PD</i>	Approved 3/31				
<b>SB 2</b> <i>Vouchers</i>	Approved 1/28	Approved 2/5		Approved as substituted 4/3	
<b>SB 568</b> <i>Special education funding</i>	Approved as substituted 3/25	Placed on intent calendar 4/2			



# UPDATE ON 89<sup>TH</sup> LEGISLATIVE SESSION



## Bills on the Move | Finance

	1 <sup>st</sup> Committee	1 <sup>st</sup> Chamber	2 <sup>nd</sup> Committee	2 <sup>nd</sup> Chamber	Governor
<b>HB 2196</b> <i>Virtual education</i>	Approved as substituted 4/3				
<b>SB 2252</b> <i>Early literacy and numeracy</i>	Approved as substituted 4/3				
<b>SB 2253</b> <i>Teacher prep pathways and associated allotments</i>	Approved 4/3				
<b>SB 2330</b> <i>Repeals statutes allowing salary deductions for professional orgs</i>	Heard 4/1 in Senate Education				

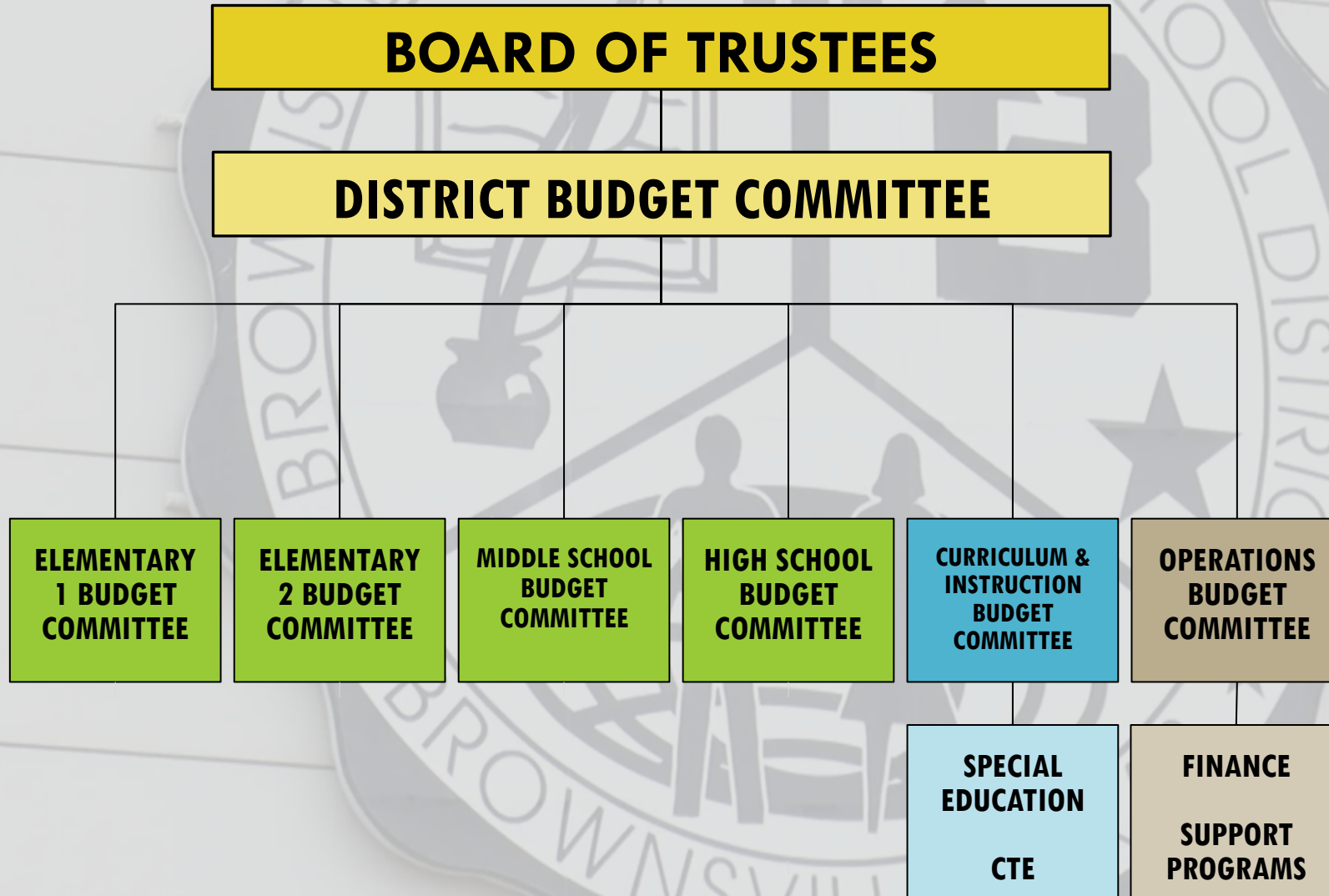
# UPDATE ON 89<sup>TH</sup> LEGISLATIVE SESSION



## Bills on the Move | Property Tax

	1 <sup>st</sup> Committee	1 <sup>st</sup> Chamber	2 <sup>nd</sup> Committee	2 <sup>nd</sup> Chamber	Governor
<b>HB 9 / HJR 1</b> <i>Increasing business personal property exemption to \$250,000</i>	Approved as substituted 3/10	Approved 4/3			
<b>HB 195</b> <i>Notice to taxpayers in recapture districts</i>	Approved 3/24	Approved 4/2			
<b>SB 1453</b> <i>I&amp;S rate generating amounts above minimum debt service would require 60 percent vote threshold</i>	Approved 3/24	Approved 4/3			

# BUDGET COMMITTEE PROCESS



# BUDGET COMMITTEE PROCESS



- Administration would like for each budget committee to meet once a week for at least 4-5 weeks. The last day to have a budget committee meeting should be Friday, May 9, 2025.
- The expectations of these budget meetings are to present all recommendations where the district can reduce or cut operating costs, including personnel. We ask that all members of the budget committee be mindful that these are preliminary discussions and nothing is final until the board approves any changes.
- Each committee will have at least one of either a Chief Officer, Assistant Superintendent or Executive Director present to help guide every budget committee meeting and provide any resources or input as requested. There will be a general google drive folder created for each budget committee where budget committee members can collaborate and upload files. Administration will also add any pertinent information the committees can reference and use during their meetings.

# 2025-2026 BUDGET GOALS



- The District should aim to maintain an unassigned fund balance at or above \$100 million, which is equal to approximately 75 days of general fund expenditures (CE(LOCAL) policy).
- The District anticipates continued growth in property values, which will result in higher amount of local revenues.
- Budget reductions will be considered in all areas and will be shared/distributed among all campuses, programs and departments.
- Adoption and implementation of new personnel, programs and initiatives will be limited. Where new initiatives or FTE's are implemented, off-setting savings from the reduction of other current expenditures will be required.
- Prepare a well-balanced budget that prioritizes our student needs.
- Recommend only using \$8-10 million from unassigned fund balance in next year's budget.

# 2025-2026 BUDGET TIMELINE



## April 2025

<b>April 7, 2025</b>	Campus and Department budgets due to their respective Assistant Superintendent
<b>April 7, 2025</b>	All approved purchase orders will be released to the vendor by the Purchasing Department for Funds 101-499
<b>April 9, 2025</b>	Final Department budgets due to Finance Department
<b>April 10, 2025</b>	Review Draft TASB Compensation Report with District Cabinet
<b>April 14, 2025</b>	Final Campus budgets due to Finance Department
<b>April 16, 2025</b>	At <b><u>Budget Committee Workshop #1</u></b> <ol style="list-style-type: none"><li>1. Review of Current Revenue Projects, Student Enrollment and Projections for 2025-2026 School Year, and Attendance</li><li>2. Challenges Affecting Public School Finance and Update on 89<sup>th</sup> Texas Legislative Session</li><li>3. Overview of District Budget Committee</li><li>4. Budget Goals &amp; Timeline</li></ol>
<b>April 17, 2025</b>	TASB Presents to Superintendent, selected Cabinet, HR Department and Finance
<b>April 23, 2025</b>	Final Funding Sources due to Finance Department
<b>April 28, 2025</b>	Receive Preliminary Estimate of Property Values from Cameron Appraisal District (CAD)

# 2025-2026 BUDGET TIMELINE



## May 2025

**May 5, 2025**

Adjust Revenue budgets developed based on estimated tax values

**May 8, 2025**

At **Budget Committee Workshop #2:**

1. TASB Pay Maintenance Study Presentation
2. Review and Discuss Draft of Budget Cuts/Reductions Recommendation List

**May 20, 2025**

At **Budget Committee Workshop #3:**

1. Discussion on Compensation Plan Changes and Proposed Salary Increases
2. Review and Discuss Draft of Budget Cuts/Reductions Recommendation List and Other Budget Considerations

**May 23, 2025**

Last day to receive all orders at the warehouse. All purchase orders not received by the stated date will be canceled.

**May 30, 2025**

Summer School Orders (All Funds) must be received at warehouse

# 2025-2026 BUDGET TIMELINE



## June 2025

**June 09, 2025**

At **Budget Committee Workshop #4:**

1. 2025-2026 Proposed Budget for General Fund and Debt Service

**June 14, 2025**

Post proposed budget on district website and publish Notice of Public Meeting to discuss the Budget and Proposed Tax Rate

**June 26, 2025**

At **Special Board Meeting:**

1. Public hearing on 2025-2026 Budget and Tax Rate
2. Adopt 2025-2026 Budget (Must be before adoption of tax rate)

## September 2025

**September 2, 2025**

At **Board Meeting:**

1. Set 2025-2026 Tax Rate (Must adopt by component, i.e. M&O and I&S)