

Board Budget Workshop

Thursday, May 7, 2026 5:15 PM

Frisco ISD Administration Building, 5515 Ohio Drive, Frisco, TX 75035

1. Discussion regarding 26-27 Budget

Board Secretary



2026-27 BUDGET

WORKSHOP #3

MAY 7, 2026

AGENDA

- | Financial Benchmarking
- | “Near Final” General Fund Budget
- | Debt Service Fund Budget
- | Child Nutrition Fund Budget
- | Budget Adoption Timeline



The background is a teal-tinted collage of financial-related items: a calculator with buttons like '7', '8', '9', 'M+', 'M-', 'MRC', and 'ON/C'; a pen; and several US dollar bills, including a five-dollar bill with the text 'THE UNITED STATES OF AMERICA' visible. A dark blue rounded rectangle is centered over the image, containing the text 'FINANCIAL BENCHMARKING' in white, bold, uppercase letters.

FINANCIAL BENCHMARKING

SALARY VS. FINANCIAL BENCHMARKING

FINANCIAL BENCHMARKING

- Compares to 9 other “similar” districts across the state
- Based on 2024-2025 audited financial data, reported by TEA
- Purpose: to identify possible inefficiencies

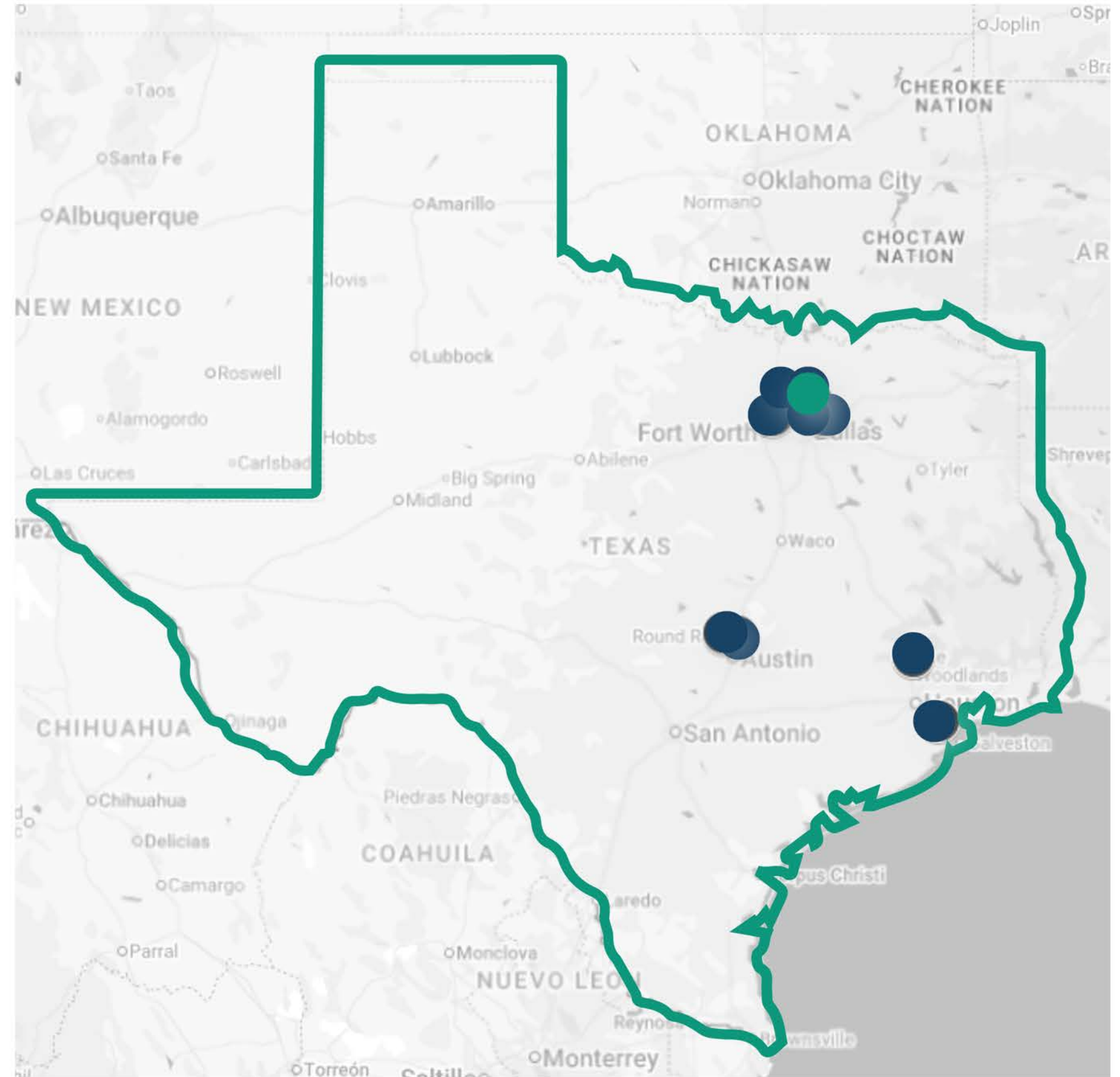
Salary Benchmarking *(Workshop #3)*

- Compares to 19 other local districts that we may compete with for staff (a.k.a. the “local pay market”). *Some positions are compared to large local districts only, and some include non-school markets.*
- Based on 2025-2026 salary data, reported by TASB
- Purpose: to determine whether our salaries, by employee group, are competitive within the local market



BENCHMARK DISTRICTS

DISTRICT	2025 ENROLLMENT	ACCOUNTABILITY RATING
CLEAR CREEK ISD	39,684	B (88)
CONROE ISD	72,914	B (85)
DENTON ISD	33,329	B (80)
FRISCO ISD	65,289	A (90)
GARLAND ISD	51,021	B (84)
KELLER ISD	32,042	B (85)
LEANDER ISD	42,608	B (88)
LEWISVILLE ISD	47,876	B (81)
PLANO ISD	46,612	B (82)
ROUND ROCK ISD	46,954	B (87)

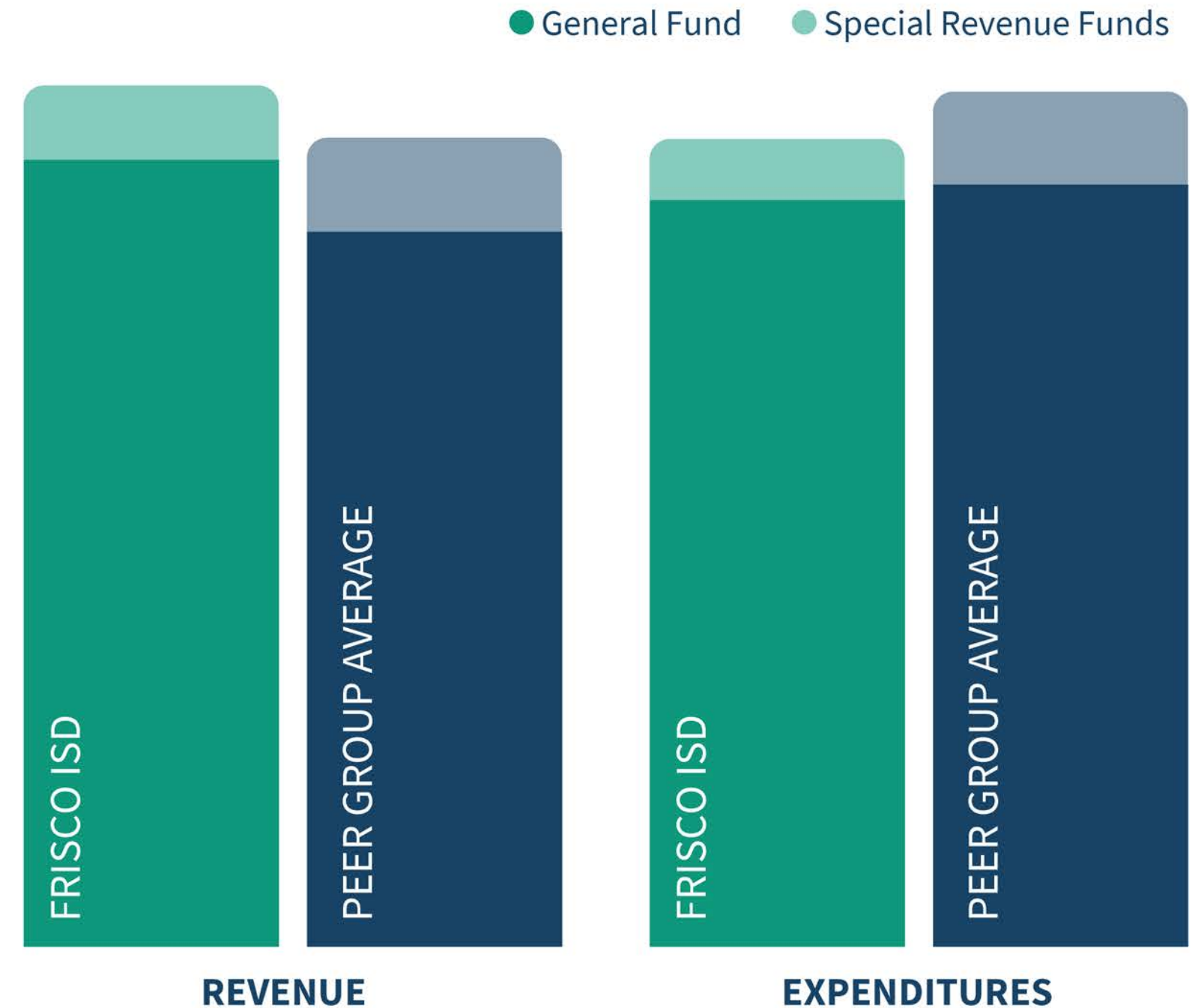


REVENUE & EXPENDITURES

PER STUDENT

WHAT WE NOTICE:

- Our operating revenue per student was higher than our peers for the first time in 2025 because of the change in TIRZ revenue utilization
- Our peers have larger low-socioeconomic populations, qualifying them for more grant funding (special revenue funds)
- Our peers spent, on average, \$651 more per student in the 2025 fiscal year than we did, and 67% of that additional spending came from special revenue (grant) funds.



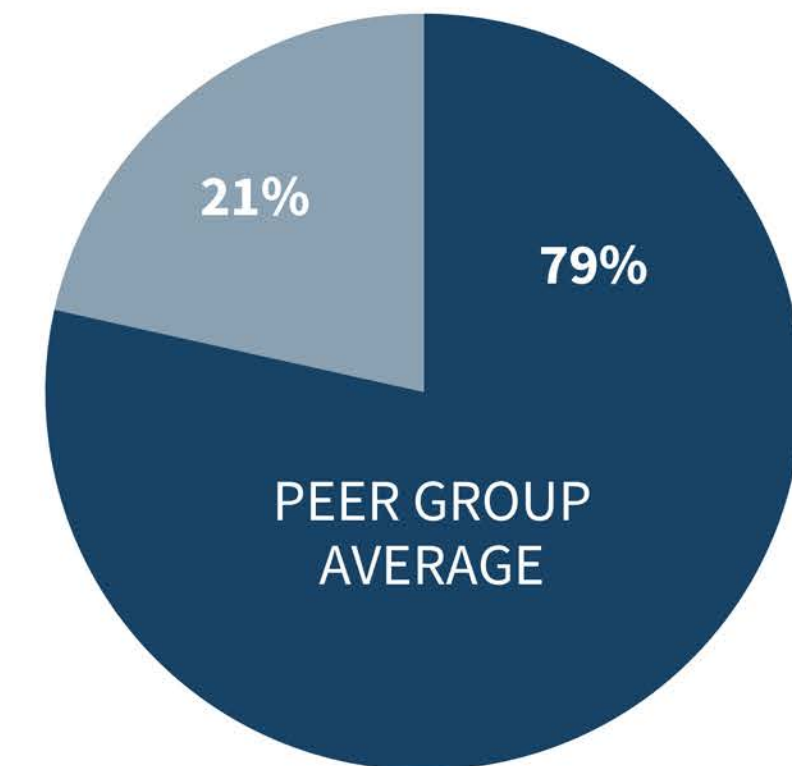
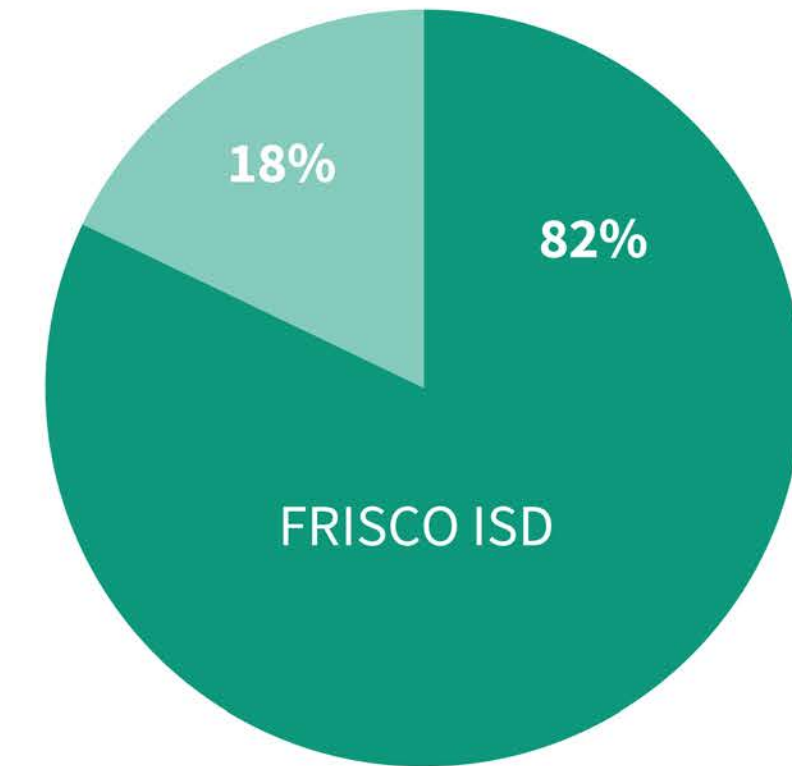
FUNCTIONAL SPENDING

PER STUDENT (GENERAL FUND)

WHAT WE NOTICE:

- Frisco ISD spent an average of \$100 more per student on instruction than our peers in 2025.
- We rank high in extracurricular spending due to our student opportunity model.
- We spend about the same (3% of total expenditures) on general administrative costs as our peers.
- We spend less on operations than our peers because our buildings are (on average) newer and more energy efficient.
- We spend less on security than our peers because of our SRO partnerships with the cities of Frisco, Plano, McKinney, and Little Elm.

- Instruction & Instructional Support
- Operations & Administration



FUNCTIONAL SPENDING

WHAT WE NOTICE:

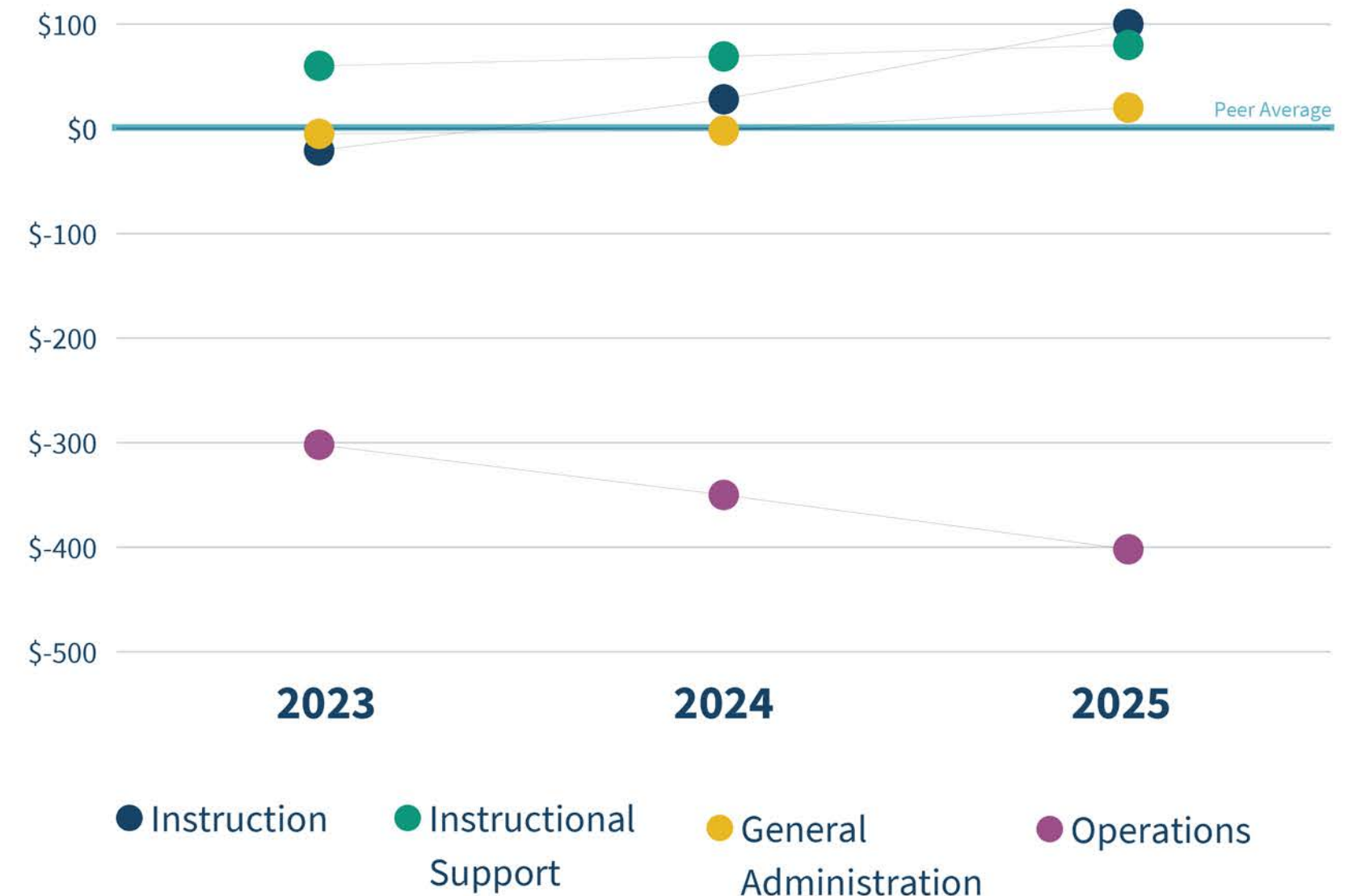
- Our general administrative expenses per student have increased compared to peers, largely due to marketing.
- The gap in spending for district operations is widening. Our peers have experienced greater increases in transportation and security costs than we have over the last 3 years.

WHAT WE'RE WATCHING

- Our per-student costs for instruction and instructional support are increasing because we've protected programs as our population declines.

	2025 Spending Per Student	
	FISD	Peer Average
Instruction	\$6,752	\$6,652
Instructional Support	\$1,758	\$1,678
General Administration	\$284	\$264
Operations	\$1,422	\$1,824

Spending per student compared to the peer average



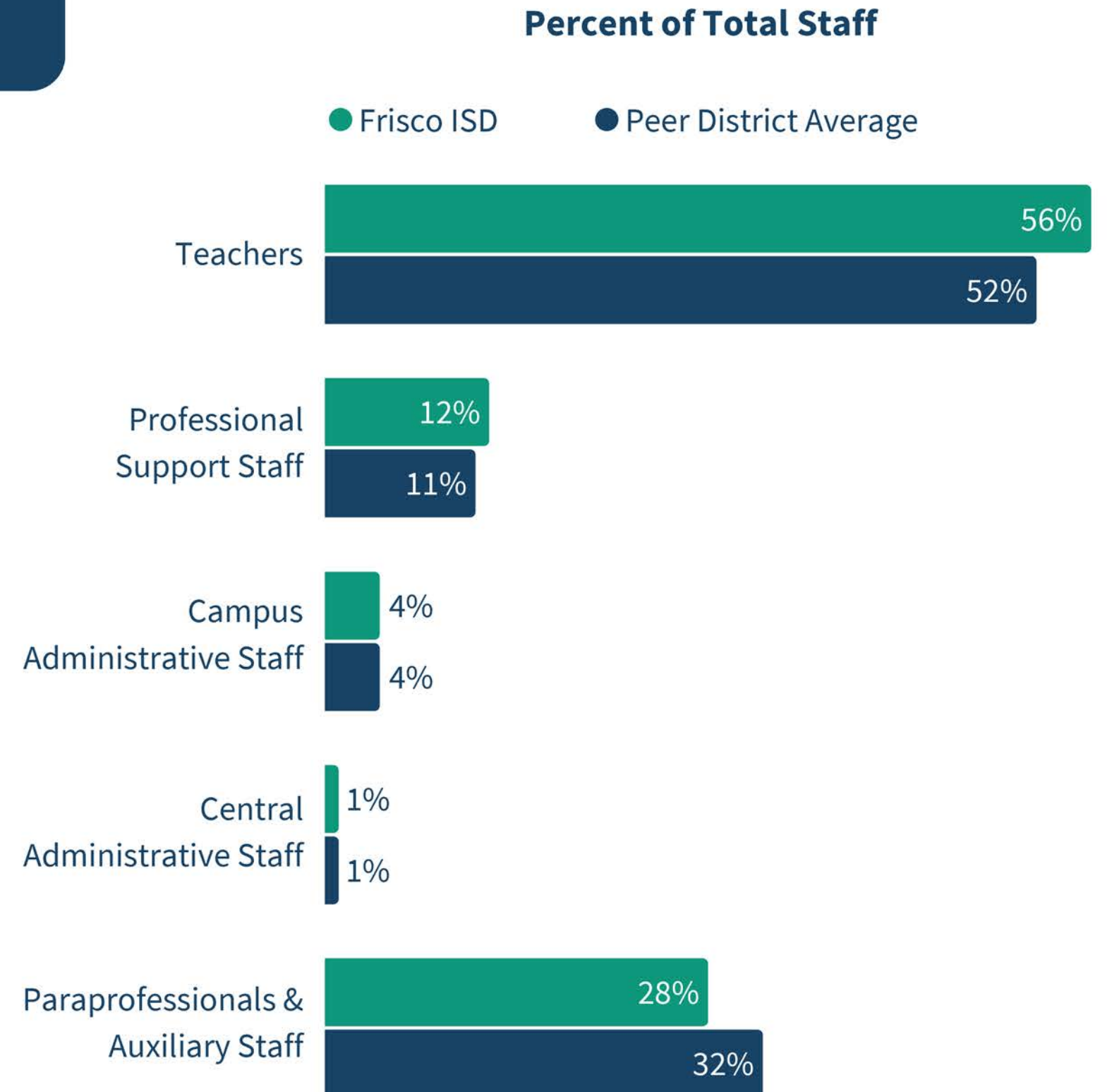
STAFFING


WHAT WE NOTICE:

- Frisco ISD generally operates leaner than most of our peers
 - We rank 9th in the ratio of students to total staff
 - We have fewer central administrative positions per student and per school than our peers.
 - We rank 9th for the number of paraprofessional and auxiliary staff we employ.
- A greater proportion of our staff are teachers compared to our peers

 **Frisco ISD**
14.6 Students:Teachers
8.1 Students:Total Staff

 **Peer District Average**
14.6 Students:Teachers
7.6 Students:Total Staff



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**2026–2027:
“NEAR FINAL” GENERAL
FUND BUDGET
(KIND OF)**

2026-2027 NEAR FINAL BUDGET

GENERAL FUND REVENUE AVAILABLE FOR APPROPRIATION



	General Fund 2025-26 <i>Adopted Budget</i>	General Fund 2026-27 <i>Near Final</i>	Increase (Decrease)
Formula Revenue, net of recapture	\$610 M	\$584.5 M	(\$25.5 M)
Non-Formula Tax Revenue	3 M	3 M	--
TIRZ Revenue for Operations	31 M	32.2 M	1.2 M
Other Local Revenue	27 M	29.8 M	2.8 M
Federal Revenue	4 M	2 M	(2 M)
Total Revenue Available for Appropriation	\$675 M	\$651.5 M	(\$23.5 M)
Flow-Thru Revenues	97 M	100.5 M	3.5 M
Total Estimated Revenue, net of recapture	\$772 M	\$752 M	(\$20 M)

Enrollment Decline	
• \$13M for 2025-26	(\$26 M)
• \$13M for 2026-27	
Fast Growth Allotment	(4 M)
Formula Refinement <i>(from 2025-26)</i>	(6 M)
Access Frisco	8.4 M
Property value/tax assumptions	2.1 M
Net Change	(\$25.5 M)

2026-2027 NEAR FINAL BUDGET

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Property Insurance	\$14 M
Utilities (↑\$1M)	16 M
Grounds (↑\$200K)	2.2 M
TIRZ for Operations	\$32.2 M

2026-2027 NEAR FINAL BUDGET

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Investment Income	\$15 M
Athletics	4 M
Facility Rentals (↑\$242K)	4.7 M
Summer School	1.3 M
Pre-K (↑\$600K)	1.2 M
Other Miscellaneous	1.6 M
Fare-based Busing	1.3 M
Chromebook Fees	0.7 M
Other Local Revenue	\$29.8 M

2026-27 WORKING BUDGET

GENERAL FUND

REVENUE AVAILABLE FOR APPROPRIATION	\$651.5 M
2026-27 BASELINE BUDGET	(667.6 M)
Cost Savings:	
• Closing Staley	2.8 M
• Enrollment Leveling	12.7 M 9.8 M
• Instructional Coaching Model	1.4 M
• Campus & Department Budgets	4.4 M
Compensation Plan (net of payroll savings)	(5.9 M)
2026-27 PROPOSED BUDGET DEFICIT	(\$3.6 M)



98 Elementary Teaching FTEs	(\$7.3 M)
73 Secondary Teaching FTEs	(5.4 M)
	(12.7 M)
Add back for Access Frisco & Frisco Flex:	
• 8 Elementary Teaching FTEs	0.6 M
• 25 Secondary Teaching FTEs	1.9 M
• 4 Pre-K Sections (Teacher + Aide)	0.4 M
Enrollment Leveling	(\$9.8 M)

2026-27 WORKING BUDGET

GENERAL FUND

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Compensation Plan (net of payroll savings)	(5.9 M)
2026-27 PROPOSED BUDGET DEFICIT	(\$3.6 M)

New Compensation	\$11.8 M
Estimated Attrition	(3.9 M)
Fringe Savings	(2 M)
Compensation Plan Cost	\$5.9 M

PROPOSED COMPENSATION PLAN

EMPLOYEE TYPE	TOTAL COST OF RAISES
Teacher	7,400,000
Instructional Professional	1,216,910
Auxiliary	592,090
Instructional Aide	585,200
Campus Administrators	499,000
Clerical/Para	407,200
Administrative Professional	351,260
Central Administrator	164,040
	<hr/>
	\$11,215,700

Raises:

- 2% of salary, capped at \$2,000 for central office professionals
- Teacher raises will meet or exceed the new hire pay scale
- Some campus and central administrators are on a stepped pay scale. Staff in those pay grades will receive the greater of their step or the raise.

SPED Stipends & Other Adjustments:

- Stipends for SPED Teachers will increase based on program:
 - SBS, SAIL & SLC - \$3,000 increase
 - Other Centralized Classrooms - \$1,000 increase
 - Resource & Inclusion - \$1,200 stipend (currently no stipend)
- SPED paras (all programs) will receive an additional increase of \$0.25 per hour in addition to the 2% raise

The total cost above includes market adjustments for employees in 16 different positions to maintain competitive salaries with non-school markets. It does not include the additional \$600K increase in taxes and TRS contributions resulting from the raise. The total cost of raises and fringe costs is \$11.8 million.

2026-27 WORKING BUDGET

OPTIONS

Payroll Formula:

*Currently filled positions - Savings from turnover
+ Raise*

+ Currently vacant positions (budgeted at midpoint)

= Payroll Budget

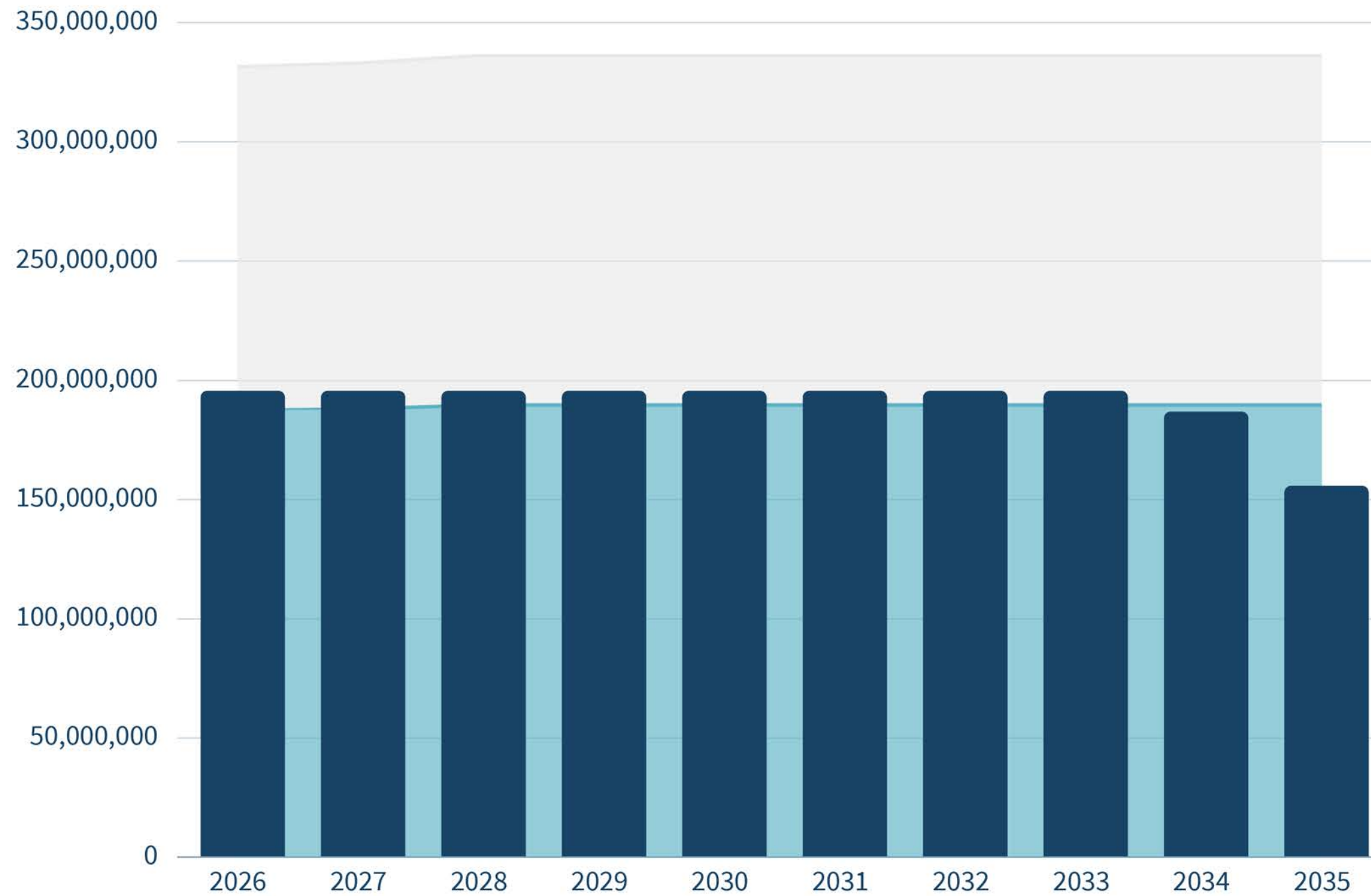


	OPTION A	OPTION B	OPTION C
Currently Filled Positions	99%	99%	100%
Raise %	2%	2%	3%
Currently Vacant Positions	100%	40%	--
2026-27 PROPOSED BUDGET DEFICIT	(\$3.6 M)	--	(\$4.8 M)



**2026-2027
DEBT SERVICE FUND
BUDGET**

DEBT CAPACITY & BOND PAYMENTS



	PRINCIPAL	INTEREST	TOTAL PAYMENT
2027	108,821,873	86,447,365	195,269,238
2028	112,325,219	82,943,627	195,268,846
2029	114,102,326	81,168,612	195,270,938
2030	130,750,115	64,520,135	195,270,250
2031	128,627,801	66,641,538	195,269,339

Payments in this table do not include any projected payments on future debt that may be issued, either to refinance existing debt or to finance a future bond program.

- Debt capacity @ \$0.50 tax rate
- Debt capacity @ \$0.27 tax rate
- Current debt payments
- Projected future debt payments (none)

2026-2027 PROPOSED BUDGET

DEBT SERVICE FUND

	Debt Service Fund 2025-26 <i>Adopted Budget</i>	Debt Service Fund 2026-27 <i>Proposed Budget</i>	Increase (Decrease)
Local Tax Revenue	190.9 M	175.8 M	(15.1 M)
Investment Earnings	4.0 M	4.0 M	--
TIRZ Revenue	--	--	--
State Revenue	13.9 M	17.8 M	3.9 M
Total Revenue Available for Appropriation	\$208.8 M	\$197.6 M	(\$11.2 M)
Bond Principal & Interest	197.6 M	199.2 M	1.6 M
Other Debt Fees	0.8 M	2.0 M	1.2 M
Total Expenditures	\$198.4 M	\$201.2 M	\$2.8 M
Surplus (Deficit)	\$10.4 M	(\$3.6 M)	
Property Tax Rate	\$0.27	\$0.27	

Budget Development Notes:

- The homestead exemption increase from the 89th legislative session reduced our local tax revenue but increased state aid.
- Property values are projected to increase 1% this year (relatively flat)
- Refinancing debt twice a year increases our budget for other debt fees
- All of the refinancing we've done this year has shortened our debt payback schedules to make room for future bond programs
- The Debt Service Fund has sufficient fund balance to maintain a \$0.27 debt tax rate



**2026-2027
CHILD NUTRITION FUND
BUDGET**

2026-2027 PROPOSED BUDGET

CHILD NUTRITION FUND

	Child Nutrition Fund 2025-26 <i>Adopted Budget</i>	Child Nutrition Fund 2026-27 <i>Proposed Budget</i>	Increase (Decrease)
Cafeteria & Other Sales	17.8 M	16.7 M	(1.1 M)
Investment Earnings	0.5 M	0.5 M	--
Federal & State Grant Revenue	7.6 M	8.1 M	0.5 M
Total Revenue Available for Appropriation	\$25.9 M	\$25.3 M	(\$0.6 M)
Payroll	13.6 M	13.6 M	--
Contracted Services	0.6 M	0.5 M	(0.1 M)
Supplies & Misc. Operating Costs	3.7 M	3.5 M	(0.2 M)
Food	9 M	9 M	--
Capital Outlay	0.4 M	0.8 M	0.4 M
Total Expenditures	\$27.3 M	\$27.4 M	0.1 M
Net Change in Fund Balance	(\$1.4 M)	(\$2.1 M)	

Budget Development Notes:

- Revenue from cafeteria sales reflects a realized decline in program participation.
- The payroll budget includes the same 2% raise proposed in the General Fund. The cost of the raise can be covered by savings from attrition and vacancies.
- The Child Nutrition Fund has sufficient fund balance to manage a small planned deficit. We will continue to evaluate opportunities for savings as program participation declines.

BUDGET ADOPTION TIMELINE

DECEMBER

Individual Board Member Meetings

JANUARY

- Preliminary personnel recommendations
- Revenue-generating options

Board Budget Workshop #1

FEBRUARY

- Campus and department budget review
- Budget savings options

MARCH

- Review of debt strategy
- *Compensation review*

Board Budget Workshop #2

APRIL

- Peer benchmarking
- *Compensation review*
- Preliminary Certified Values
- Debt and Child Nutrition budgets

Individual Meetings

MAY

Final budget recommendations, including compensation plan

Board Budget Workshop #3 and #4 (if needed)

JUNE

- **Budget Public Hearing**
- **Budget Adoption**
- Publish Budget Book

AUGUST

- Certified taxable values
- **Tax Rate Adoption**



**QUESTIONS?
DISCUSSION?**