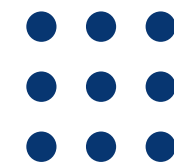


BUDGET ADVISORY COMMITTEE

January 16, 2025



www.killeenisd.org/budgetplanning



AGENDA

- 1** Introductions & Purpose of Budget Advisory Committee
- 2** Board Goals
- 3** Finance 101
- 4** Budget Feedback Activity



PURPOSE

Receive input as part of the budget planning process

Maximize budgetary efficiencies and prioritize resources

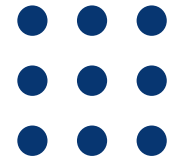
Earmark Impact Aid dollars

- Fiscal year 2026 = \$10 mm
- Fiscal Year 2027 = additional \$5 mm
- Fiscal Year 2028 = additional \$7 mm
- Fiscal Year 2029 = additional \$9 mm
- After all hold harmless payments are exhausted = \$50 mm annually

BOARD GOALS



SYSTEM SCORECARD REVIEW



PRIORITY 1 STUDENT SUCCESS

- 1.1 Pathways for ALL students to build connections
- 1.2 ALL students will meet or exceed the Texas grade-level standards in reading and writing
- 1.3 ALL students will meet or exceed the Texas grade-level standards in mathematics
- 1.4 ALL students will graduate from high school ready to enroll in postsecondary education, enlist in the military, or enter the workforce



PRIORITY 2

HUMAN CAPITAL

- 2.1** To recruit and retain staff, the District will promote a positive work environment and provide a competitive compensation and benefits package
- 2.2** The District will implement effective standards and practices that will consistently and strategically staff campuses and departments
- 2.3** The District will identify and provide ongoing training and coaching needed for staff to build their professional capacity
- 2.4** All staff will have formal and informal opportunities to give and receive feedback regarding job satisfaction and performance



PRIORITY 3

FINANCIAL STEWARDSHIP

- 3.1** The District will use data-driven planning to prioritize resource allocations
- 3.2** The District will prepare budgets using transparent and open communication amongst stakeholders
- 3.3** The District will continuously evaluate and update policies and procedures to foster a positive culture and climate
- 3.4** The District Operational Departments' training will focus on effective and sustainable use of district resources and procedures



FINANCE 101



BUDGET TIMELINE

2025-2026

DECEMBER 2024

- Planning timeline presented for Board consideration
- Board approval of school calendar for the next year

JANUARY 2025

- Preliminary student enrollment projections presented to the board
- Initial revenue forecast projections
- Position initialization (calendar, pay grade, pay cycle, vacancy salaries)
- Special program placement finalized
- Staffing ratio models analyzed for next year
- Administration discusses budget initiatives and assumptions
- Administration discusses dollar per student allocation scenarios

FEBRUARY 2025

- Budget planning salary base snapshots
- Enrollment projections communicated to campuses
- Title I campuses determined, and allocations estimated
- Economic disadvantaged % table in projections file [based on final Public Education Information Management System (PEIMS) snapshot data] forwarded to budget and special/federal program offices

MARCH 2025

- Staffing allocations presented to the board
- Review staffing allocations with principals
- Current stipend levels reviewed
- Distribute full-time equivalent (FTE) add requests/pay grade change requests

BUDGET TIMELINE

2025-2026

APRIL 2025

- Preliminary values received from Bell County Appraisal District (BCAD)
- Technology allocations reviewed
- State Compensatory Education (SCE) allocations estimated
- Title I/SCE staffing spreadsheets sent to campuses
- FTE add requests/pay grade change requests due

MAY 2025

- Updated revenue forecast projections
- Board approval of final staffing allocations
- Board meeting budget update with non-staffing budget items
- Campuses finalize staffing being assigned to grant funds based on Campus Improvement Plans (CIPs)
- Preliminary Compensation plan and General Pay Increase (GPI) discussion with Board
- Board review of anticipated federal grant applications
- Final Title I/SCE grant budgets adjusted and communicated to campuses
- Bilingual and English Language Learners (ELL) grants reviewed; allocations communicated to campuses
- Campus and departments complete budget worksheets

BUDGET TIMELINE

2025-2026

JUNE 2025

- Board meeting budget update including budget and tax rate calendar
- Board approval of compensation package, including stipends and General Pay Increase (GPI)
- Efficiency auditor selection for Voter Approved Tax Rate Election (VATRE), if applicable
- Report to campuses the funding source of staff (Federal vs. General fund)
- Grant submissions completed

JULY 2025

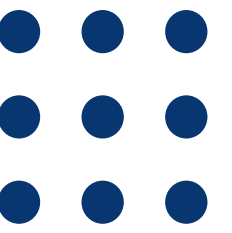
- Final revenue forecast projections
- Final budget planning salary snapshot
- Certified values received from Bell County Appraisal District (BCAD)
- Finalize revenue projections

AUGUST 2025

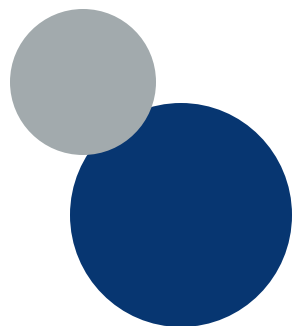
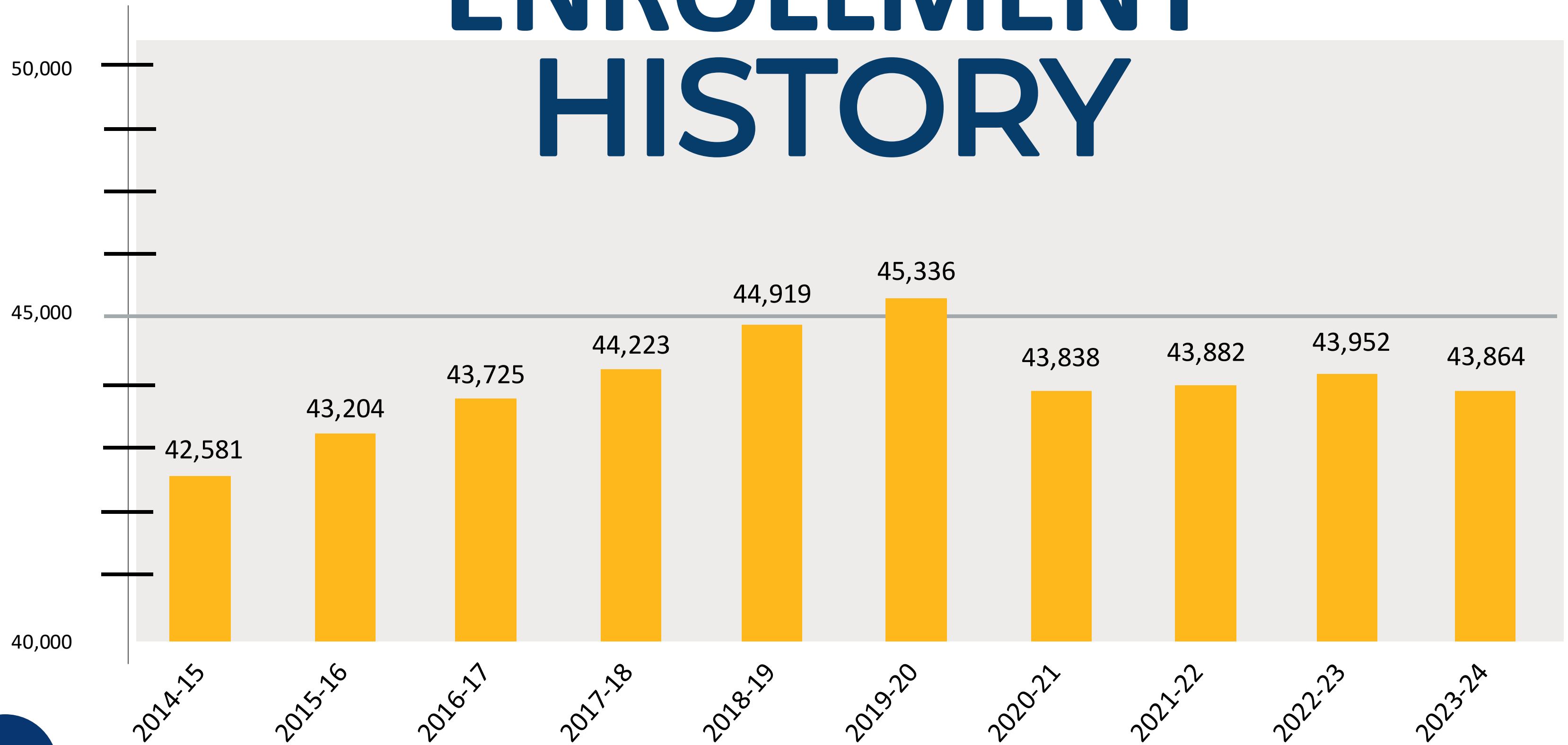
- Board proposal of official budget and set public hearing date
- Publish board approved proposed budget and public hearing date on website and newspaper
- Board public hearing and adoption of official budget
- Board adopts the Tax Year 2025 Maintenance and Operations tax rate and Debt Service tax rate

SEPTEMBER 2025

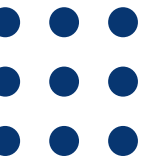
- Release general and programmatic funding to campuses and departments



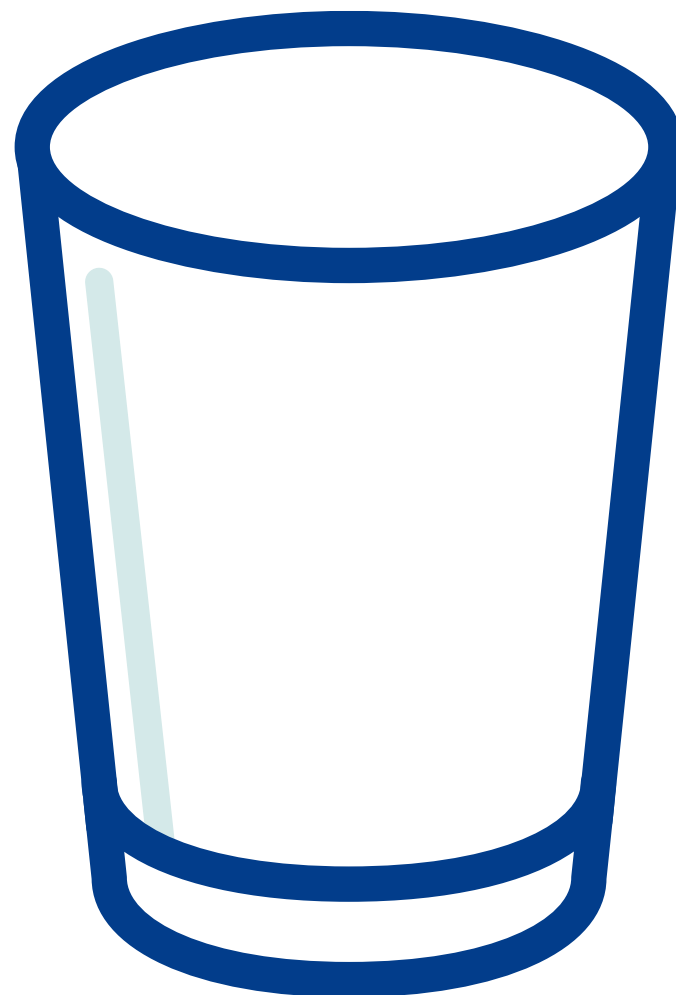
ENROLLMENT HISTORY



STATE FUNDING (BY THE GLASS)



The **state** determines the **size** of each district's cup (how much total funding each district will receive). The state uses an intricate funding formula that includes enrollment, attendance, student needs, district size, and many other factors.

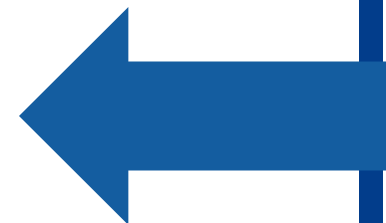


Number of Students in Attendance
x Basic Allotment of \$6,160 =
Regular Program Funding +
Adjustments for Weighted Funding =
FUNDING ENTITLEMENT

STATE FUNDING FORMULA:

+ Tax Collections
+ State Funding
- Recapture

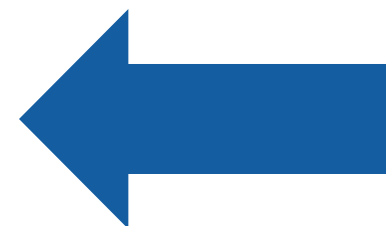
FUNDING ENTITLEMENT



STATE FUNDING (BY THE GLASS)



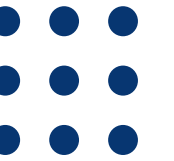
Once a district's cup size (total funding amount) is determined, the **state** starts to fill the cup with **local property tax collections** first (the local share).



In some districts, the local share partially fills the cup. In other districts, the local share completely fills or even overflows the cup.



STATE FUNDING (BY THE GLASS)



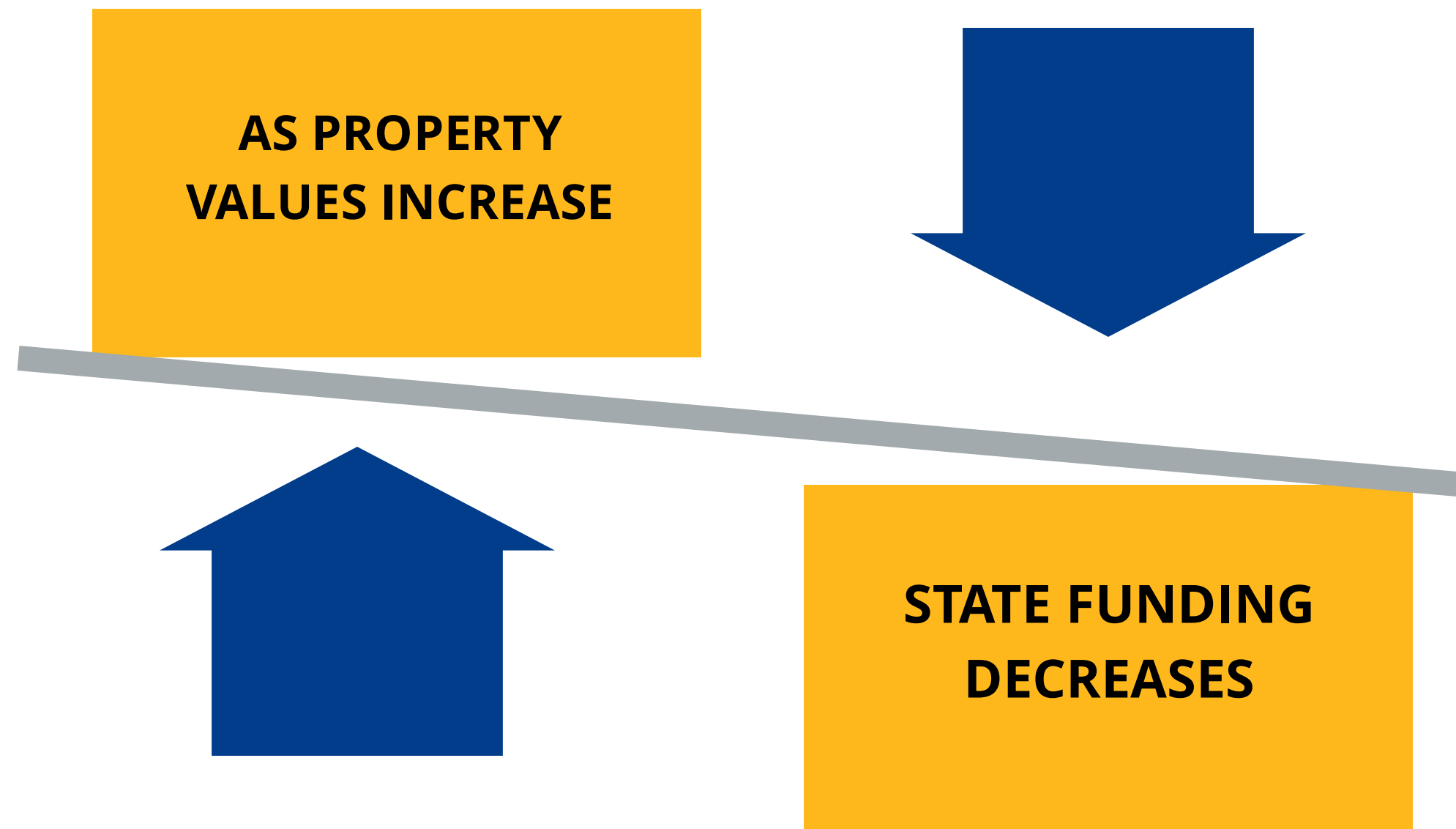
Then, if the cup is not filled with local funds, the **state** fills the cup with **state funds** (state aid).



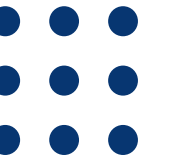


SCHOOL DISTRICT FUNDING

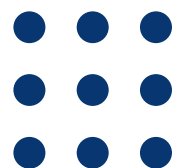
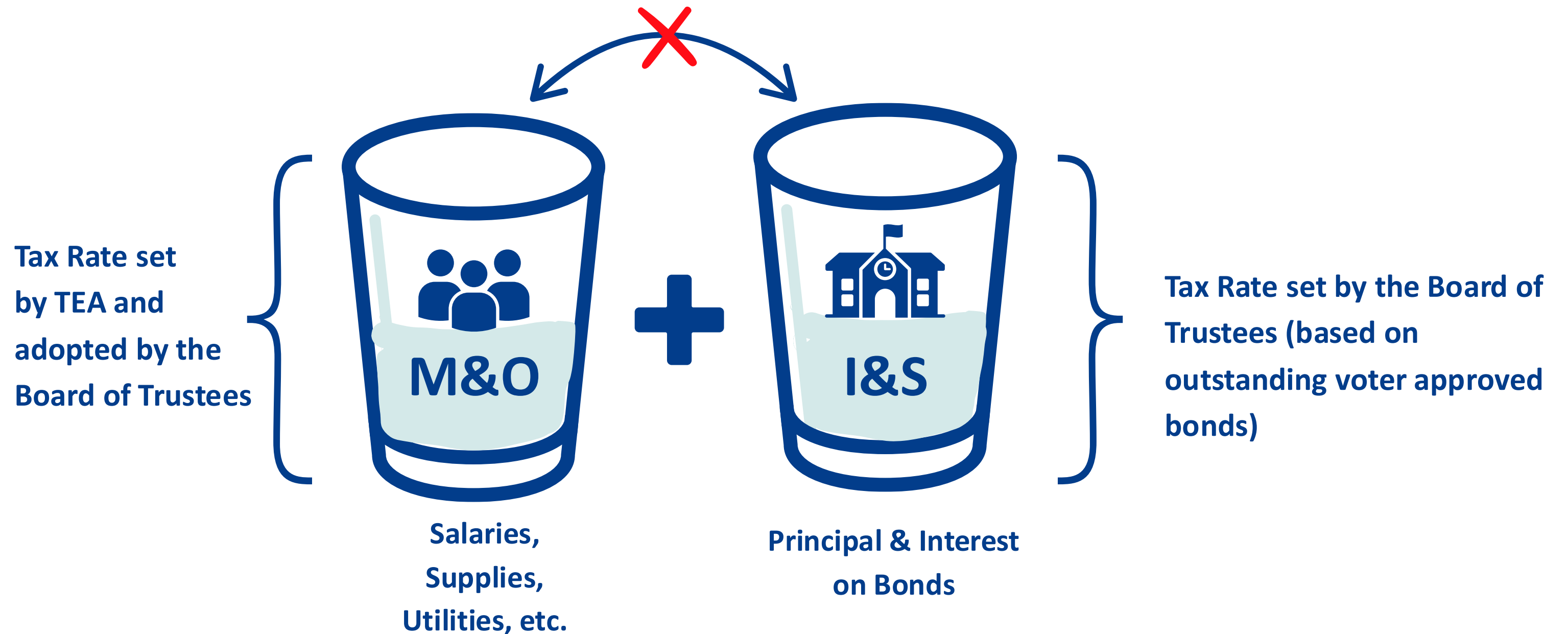
A BALANCING ACT



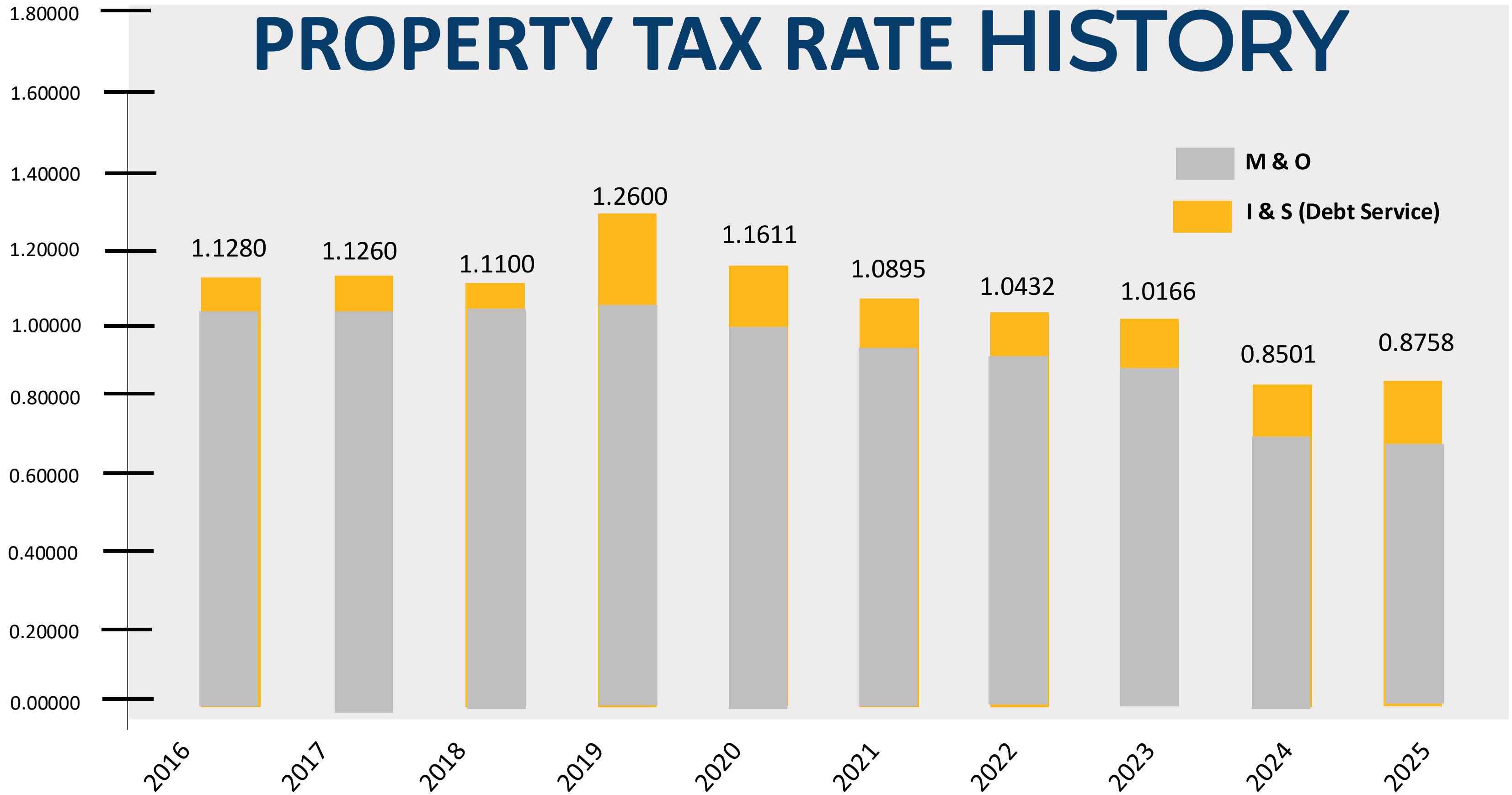
COMPONENTS OF THE TAX RATE

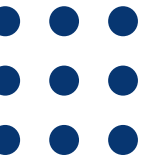


The general fund & debt service fund receive taxes and state funding.
Both own a portion of the total tax rate.



PROPERTY TAX RATE HISTORY





BUDGET IMPACTS

The **Legislature** increased the basic allotment only once since 2016, that was in 2019.



Salaries,
Supplies,
Utilities, etc.

- **Enrollment/ADA** decline
- Salary **increases**
- **19% inflation**
- **40% reduction in SHARS (Federal) funding**
- **Unfunded or underfunded mandates**
 - Requirement for police/security on each campus
- **ESSER (Federal COVID stimulus) funding ended**
- **Impact aid funding decline**



GENERAL FUND BUDGET

Balanced 2024-2025:

- **Use of prior year fund balance - State Compensatory Funding**
- **Campus Technology Life Cycle Replacement shifted to Title I**
- **Use of Strategic Facilities Plan for 1.25% Capital Improvement Plan**
- **20% reduction in Administration budgets**
- **Decrease staffing fill rate (Vacancy Factor)**



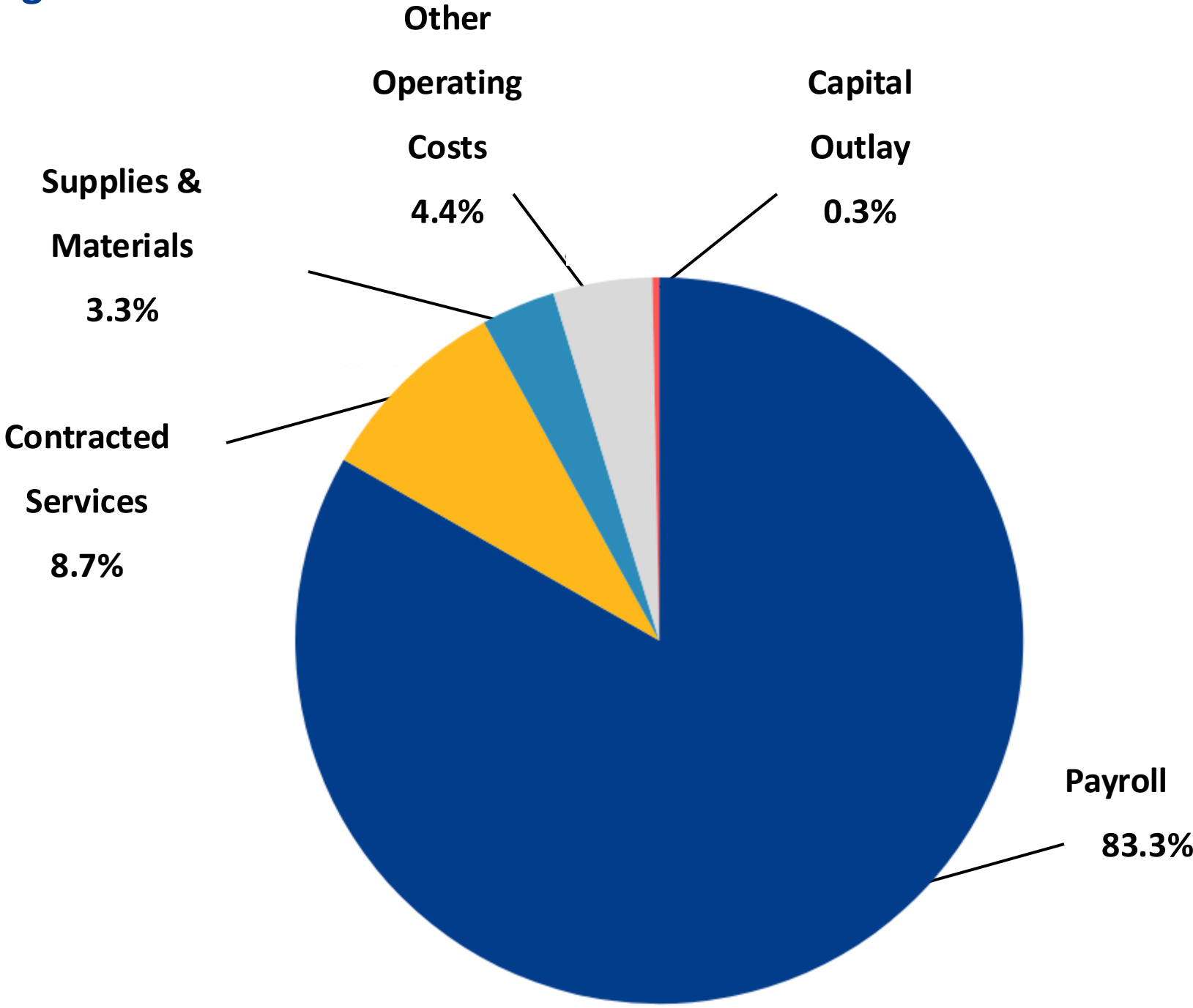
GENERAL FUND BUDGET

FY 2025 General Fund Budget

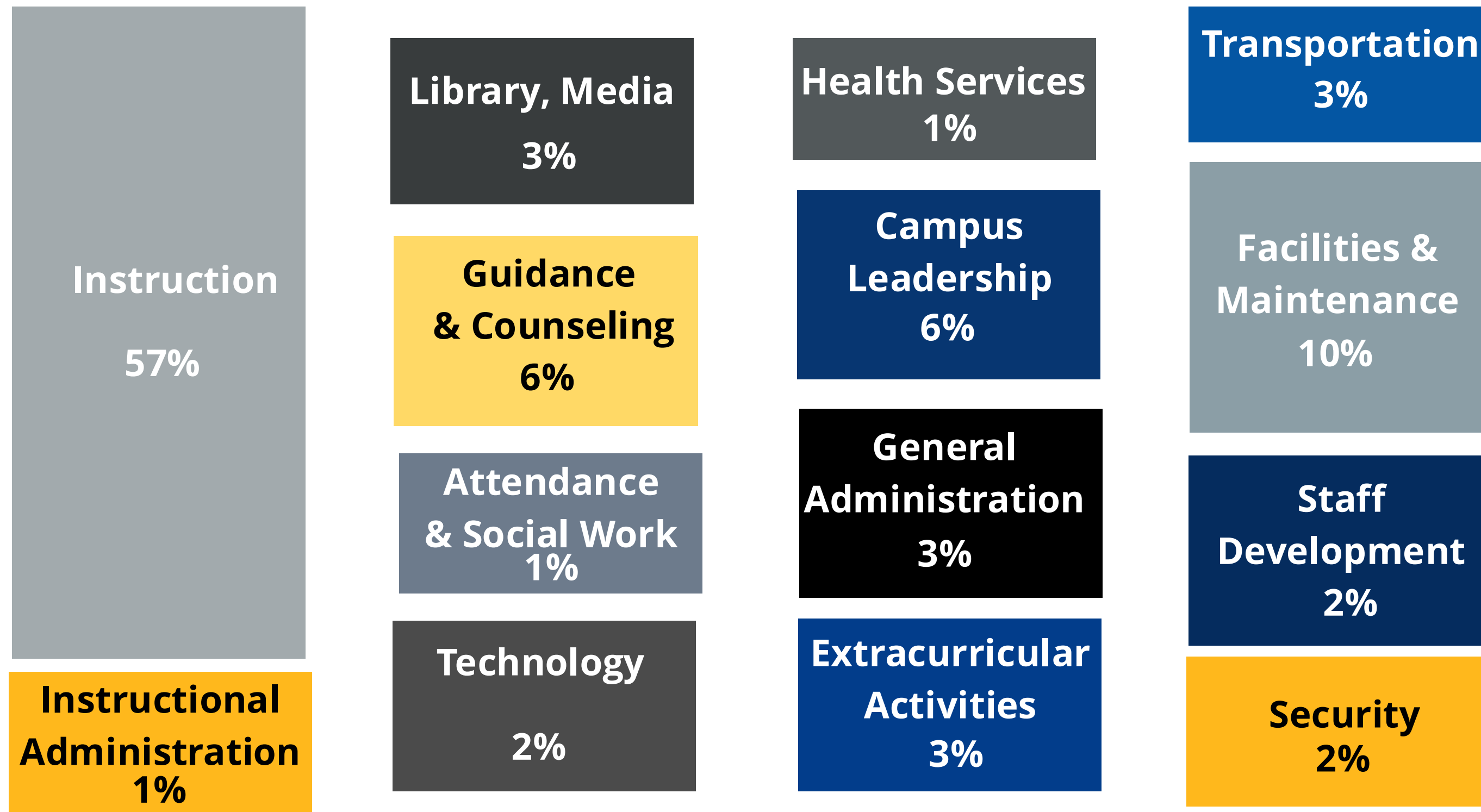
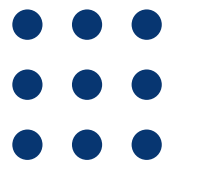
Local	\$	98,750,078
State		319,692,516
Federal		68,782,505
		<hr/>
Total Revenues	\$	487,225,099
Payroll	\$	409,389,459
Contracted Services		42,838,177
Supplies & Materials		16,285,495
Other Operating Costs		21,398,880
Capital Outlay		1,375,955
		<hr/>
Total Expenditures	\$	491,287,965
Total Other Sources	\$	40,000
Change to Fund Balance	\$	(4,022,866)
<hr/> <hr/>		

Fiscal Year 2024-25 Adopted Budget

Expenditures by Object Code



EXPENDITURES BY FUNCTION CODE



ADDITIONAL FUNDS NOT IN THE GENERAL FUND

Child Nutrition Program

- National School Lunch and Breakfast
- Summer Feeding Program

Federal & State Grants

- Title I, II, III, & IV
- IDEA-B Formula and Preschool
- Perkins Career & Technical Grant
- Regional Day School for the Deaf

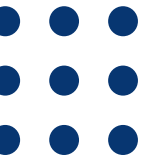
Bond Fund (Capital Projects)

- Proceeds from bond issues
- Construction/renovation of facilities, equipping facilities, technology, and buses in the bond program
 - Cannot be used for general operations

Debt Service Fund

- Principal and interest on outstanding bonds
 - Cannot be used for general operations

FUND BALANCE



The total accumulation of operating surpluses/deficits since the beginning of an entity's existence.

Importance of Adequate Fund Balance

Manage Cashflow low points:

- Majority of tax collections in December and January
- Reimbursement from federal and state grants
- Declines in enrollment/ADA
- Fund disasters until reimbursed by insurance

Mitigate risks such as revenue shortfalls and unanticipated expenditures

How much fund balance is needed

Minimum of three months of general operating expenditures

How is fund balance replenished

Operating surpluses



BUDGET FEEDBACK ACTIVITY



BUDGET FEEDBACK INPUT



1

Where should we look first to reduce the budget?

2

What should we not consider to reduce the budget?

3

What should we consider to generate additional revenue?

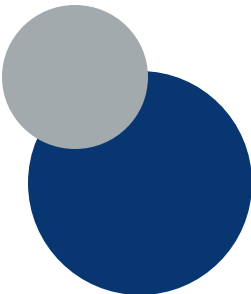
4

Other comments/input?

BUDGET FEEDBACK

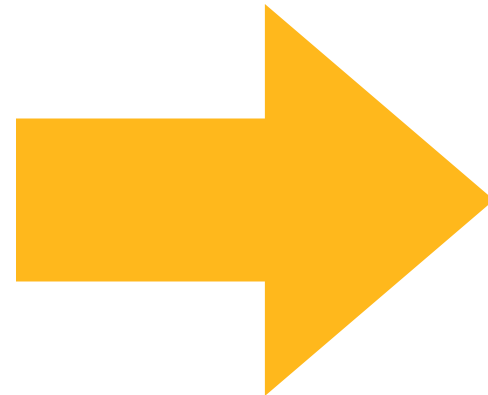


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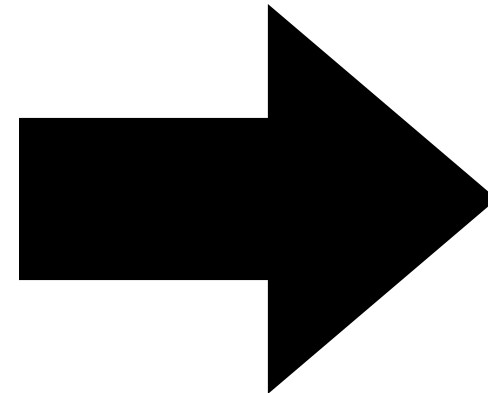
COMMITTEE TIMELINE

JANUARY 16, 2025



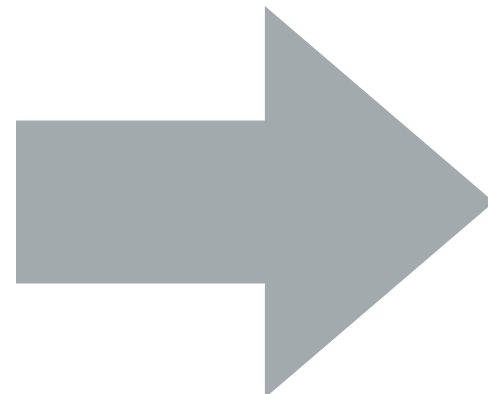
- Introductions and Purposes Committee
- Board Goals
- Finance 101
- Budget Feedback Activity

FEBRUARY 13, 2025



- Summary/Review
- Feedback Activity Results
- Prioritization Activity

MARCH 13, 2025



- Summary/Review
- Prioritization Activity Results
- Next Steps
- Closing Remarks



THANK YOU!



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