



CARROLL

Independent School District™

Carroll ISD 2023-24 Budgeting and Financial Facts

It's important to keep the facts in mind. Carroll ISD is facing a substantial budget shortfall for the school year 2023 - 2024 IF nothing changes with revenue as a result of the 88th Texas Legislative Session. Carroll ISD administration is expected to present a **balanced budget** in August for Board consideration, therefore we are working now to remedy that budget shortfall.

The CISD Financial “WHY”

- State funding basic allotment - No increase since 2019, even with over 14% inflation over that time period
- Flat enrollment
- Minimal increases in revenue
- 2017 bond dollars are no longer available for operations
- 4th lowest state-formula-funded district
- Recapture - 34% of tax revenue is paid back to the state
- Sustaining pay increases with no new revenue
- 2022-2023 Budget balanced on one-time solutions.

Quantifying the “WHY”

Current year Approximate Budget Revenue that will not carry over to 2023-2024

- | | |
|--|--------|
| • Enrollment Shortfall | \$1.5M |
| • Sale of Property (one-time) | \$4M |
| • 1 Disaster Penny Increase (one-time) | \$1M |
| • Build America Bonds Revenue Loss for 2023-2024 | \$100K |

Unavoidable Increases to 2023-2024 Budget

- | | |
|--|--------|
| • Utilities (Inflation) | \$1M |
| • Technology (Ongoing Costs previously paid with 2017 Bond \$) | \$1M |
| • Insurance Increase (Not related to TASB) | \$350K |

Total Approximate Shortfall	\$8.9M
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The reasons for these budget challenges that CISD, and likewise, many of our neighboring and peer districts are facing are many, but at the root of the problem is a state funding formula that has proven insufficient for rising operating costs.

What you should know:

- The state of Texas has a notoriously complicated funding formula. This formula determines the basic allotment - the amount of money a district receives per pupil each year based on average daily attendance. That amount, currently \$6,160, has not changed, despite over 14% inflation since 2019.
- The state formula puts Carroll ISD **fourth from the bottom** in the state funding formula, in a state ranked #38 in school funding in the nation. The bottom line is the state of Texas needs to put a higher priority on public education by better funding our schools.
- The state legislature has a record **\$33 billion** surplus this legislative session, however, the currently proposed basic allotment increase legislation is less than \$100 per student - nowhere near enough to remedy this shortfall or meet the demands of increased costs.
- On top of all of the above funding challenges, Carroll ISD is subject to “recapture” - a Robin Hood-style scheme that diverts over a third of our funding and redistributes it to other school districts.

Planning for the 2023-2024 Budget

Projected Approximate Revenue Increases

- Investments (Increase in interest earned) \$2M
- *HB 100 Current Language (\$89 to the Basic Allotment) \$350K
(The actual amount is \$700K but \$350K is restricted to teacher pay)
- *HB 100 Current Language (4% Prepayment of Recapture) \$500K
*Current Language - Anticipate changes before the end of the legislative session

Total Projected Revenue \$2.9M

Beginning Approximate Shortfall (\$8.9M-\$2.9M) \$6M

(With the anticipated shortfall planning began in September/October 2022 to identify efficiencies)

Operational/Staffing Efficiencies Implemented by Administration

Reform is needed at the legislative level, but we must be proactive. Instead, we are taking a common-sense approach to evaluating areas the district can improve efficiency.

- Removal of positions and stipends \$600K
- Implementation of Staffing Ratios \$1.6M
- Removal of Professional Learning Conference Period at grades 5-8 \$900K
* Impacted 100 Teachers/18% of staff
*All teachers maintain the state-mandated conference period
*Provides consistency in conference periods with PK-4th Teachers

Total Efficiencies Already Implemented \$3.1M

Remaining Shortfall (\$6M-\$3.1M) \$2.9M

Facts

- ❖ Positions were eliminated due to implemented efficiencies, however, no staff members lost their job due to these reductions. All staffing adjustments for teachers and paraprofessionals have been handled through attrition. Twelve probationary contracts were originally held until positions became available through attrition. Those contracts were approved on May 1, 2023 and those 12 have been placed in positions for 2023-24.
- ❖ The district will not extend the contracted services with eleven campus technicians funded and paid for through Bond 2017 dollars since those dollars are no longer available.

Peer District Funding Comparisons

If we were funded at the same rate as our peers, Carroll ISD would receive \$6-8 million more per year. On average, our comparison districts and neighbors are receiving about 13% more funding per pupil from the state than we are - which amounts to millions of dollars. In this chart, you will see peer districts' Tier 2 enrichment taxing rates and revenue generated per student along with impacts from the current proposed HB 100.

Basic Allotment Impact to Comparative Districts

District	2021-2022		**Current HB 100 Projections		
	*Revenue/ADA	Tier II Tax Rate	ADA	Additional Revenue	\$ Per ADA
ALEDO ISD	\$ 9,080	\$ 0.1383	7,944	\$ 1,697,864	214
CARROLL ISD	7,901	0.05	8,004	708,460	89
DRIPPING SPRINGS ISD	9,052	0.1383	8,428	1,861,643	221
EANES ISD	9,209	0.0800	7,332	1,070,033	146
GRAPEVINE-COLLEYVILLE ISD	8,758	0.04	12,798	-	-
HIGHLAND PARK ISD	9,217	0.08	6,172	773,410	125
KELLER ISD	9,131	0.1383	31,600	5,343,278	169
LAKE TRAVIS ISD	\$ 8,803	\$ 0.08	10,867	\$ 2,052,545	\$ 189

*The 2021-22 Revenue/ADA was provided by Moak Casey

**The Region XI Education Service Center provided the HB 100 Projections

Call to Action

Advocate

Advocate for public education and adequate funding. You can do so by visiting TakeActionDragons.com and contacting your representatives.

Stay informed

Attend board meetings, which you can attend in person or watch online, to get the most up-to-date information from our district's financial experts.

Know the facts

Get the best, most accurate information directly from the district and don't assume information from third parties is accurate.

How You Can Help

Rally as a community

Don't let social media drive the narrative. Remember, we're all in this together and the ultimate goal is to keep providing an excellent education for our students.

Ask questions

If you don't know the answer to something, just ask! We are happy to answer your questions and will be as transparent as possible during this process.

State the facts

Share factual information you receive from the district with others so you can help set the facts straight.

