



BUDGET PRESENTATION

Spring Branch Independent School District

2024 / 2025

LEGISLATIVE UPDATE

BUDGET

ACTIONS

Fall 2022

- SFAT Meetings
- Began meeting with legislators

Spring 2023

- BOT, Superintendent, staff & community members had several meetings with legislators
- Superintendent letter to the community, April 2023
- Community & staff advocated all spring

SUPERINTENDENT

LETTER TO THE COMMUNITY

APRIL 2023

“...our elected officials have made it clear they **neither value nor care about public education**, or the students, families and communities we serve.”

- JENNIFER BLAINE

“The state has the **largest budget surplus in its history (\$33 billion)**. SBISD supports property tax relief. However, our legislators are **prioritizing property tax relief (\$17 billion proposed) over public schools (\$5 billion proposed)**. Without the needed funding – **public school districts like SBISD are being set up to fail.**”

- JENNIFER BLAINE

“We do not want to consider these drastic measures, but if the Legislature does not raise the basic allotment by at least \$1,000, ***we will have no choice.***”

- JENNIFER BLAINE

CONSIDERATIONS

- Combine schools/change boundaries
- Change staffing models, including class sizes
- Eliminate 10-20% of SBISD staff
- ~~Remove the 20% local optional homebased exemption~~
- Discontinue the block schedule model for Stratford High School
- Reduce programming and/or institute pay-to-play models for athletics, performing and visual arts
- Discontinue choice and specialized programs
- Cut safety and security, counseling and mental health services
- Cut centralized instructional supports, including but not limited to, interventions, Dyslexia services, and college and career counseling
- Cut business and operations functions that support the district's safety, security and fiscal management
- Raise the tax rate



TEXAS LEGISLATURE

\$33 BILLION SURPLUS



What was left on the table? (\$17 BILLION)

\$12.5 billion for property tax relief

\$3.99 billion for school finance

\$500 million for private school vouchers

\$49.4 million for virtual education

School Safety

Will provide \$650,000 - \$750,000 in new funding for SBISD under the School Safety Allotment

Schools will be required to have at least one armed officer at every campus or apply an alternative standard if funding or personnel is unavailable.

Special Session

Senate Bill 2 (SB2) cut property tax rates by reducing the school district maximum compression rate

Homestead Exemption increased from \$40,000 to \$100,000

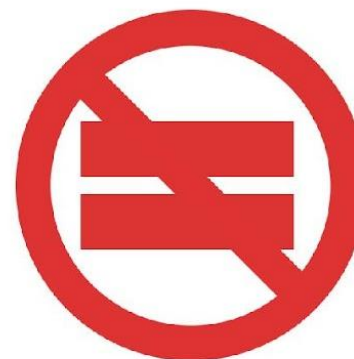


TAX RELIEF

=



**LOWER
RECAPTURE
PAYMENT**



**NEW MONEY
FOR
SCHOOLS**

Special Session OVERVIEW

1st Session

- \$0 for public education

2nd Session

- Tax Relief
- \$0 for public education

3rd Session

- \$0 for public education

4th Session

- \$0 for public education

BOTTOM LINE:

\$0

NEW DOLLARS
FOR PUBLIC EDUCATION

SBISD BUDGET REVIEW

ADDITIONAL REDUCTIONS

2021/2022

- Leveraged ESSER funds to ensure business continuity (ability to supplant)

2022/2023

- Department reductions 10% - \$3 million

2023/2024

ESSER reductions - \$20 million

- Additional department reductions - \$3.5 million
- Vacancy review

INFLATIONARY PRESSURES

2018-19 vs 2022-23
(4 years)

FUEL	20.17%
INSURANCE (2023/24 BGT)	89.55% 130.65%
Teacher Retirement	48.01%
Food	15.47%
Vehicles	30.68%
Utilities	12.38%

Elementary Build: Total Project Cost	
2007 Bond	\$25.6 M
2017 Bond	\$43.3 M
69.14%	

BUDGET

Spring Branch ISD
Board of Trustees
February 12, 2024

			A	B	C
			Last Year	This Year	Next Year
	Audited SY 2020-2021 FY 2021 \$1.0028	Audited SY 2021-2022 FY 2022 \$0.9998	Audited SY 2022-2023 FY 2023 \$0.9643	Adjusted Bgt SY 2023-2024 FY 2024 \$0.7744	Estimated SY 2024-2025 FY 2025 \$0.7719
State Revenue Calculation:					
Tax Collections (Current and Delinquent)	\$ 331,453,646	\$ 339,354,541	\$ 352,181,847	\$ 292,241,223	\$ 299,658,025
State Funding	22,791,449	20,470,730	21,914,427	22,059,208	19,767,578
Recapture	(59,724,360)	(64,424,029)	(80,261,074)	(8,461,682)	(16,708,745)
Net State Funding	294,520,735	295,401,242	293,835,200	305,838,749	302,716,858
Other Revenue:					
Penalty and Interest and Misc. Tax Revenue	2,200,293	2,355,751	2,464,250	1,950,000	1,950,000
Other Local Revenue	3,547,290	5,996,856	11,151,343	11,588,700	10,946,973
Other State Revenue	585,658	89,381	412	-	-
Prior Year Funding and Recapture Adjustm	(2,301,029)	(2,068,293)	1,909,390	-	-
TRS - State Contribution	17,954,422	17,805,349	19,072,956	19,000,000	19,000,000
Federal Revenue	12,377,047	17,391,847	18,099,284	9,360,000	8,360,000
Total Revenue	328,884,416	336,972,133	346,532,835	347,737,449	342,973,831
Expenditures:					
Payroll Costs	289,183,148	290,596,619	299,785,460	323,689,425	304,385,329
Contracted Services/Supplies/Other Operat	58,321,258	35,283,061	35,341,748	62,277,863	55,965,357
Debt Service	-	506,150	726,146	-	-
Capital Outlay	1,325,038	1,705,127	1,836,344	1,503,074	116,769
Total Expenditures	348,829,444	328,090,957	337,689,698	387,470,362	360,467,455
Other Sources (Uses)	292,047	1,482,656	697,966	4,050,000	50,000
Revenues Over(Under) Expenditures:	(19,652,981)	10,363,832	9,541,103	(35,682,913)	(17,443,624)
Ending Fund Balance	\$ 117,439,279	\$ 127,803,111	\$ 137,344,214	\$ 101,661,301	\$ 84,217,677
Fund Balance as a % of Expenditures	33.7%	39.0%	40.7%	26.2%	23.4%
ESSER Federal Funds (I/D in general fund)	7,369,252	47,921,526	57,305,401	5,819,542	
PEIMS/Projected Enrollment	33,288	33,545	33,649	33,483	32,972
WADA	41,833	42,043	42,453	42,655	42,398
ADA	30,725	30,605	30,431	30,346	30,042
Net State Funding Per Student Enrolled	8,848	8,806	8,732	9,134	9,181
Net State Funding per WADA	7,040	7,026	6,921	7,170	7,140

NOTES:

TEA supplanted \$18.1 million of ESSER funds for closure and enrollment "hold harmless".

FEBRUARY 2024

FUND BALANCE OVERVIEW

Spring Branch Independent School District

WHAT A FUND BALANCE IS:

A FUND BALANCE:

The difference between assets and liabilities as of the close of the fiscal year. **Includes three categories:**

Nonspendable Examples include inventories, prepaid items, deferred expenditures, long-term receivables, and outstanding encumbrances

Assigned Examples include insurance deductibles and compensated absences

Unassigned Everything else

WHAT

A FUND BALANCE IS NOT:

A FUND BALANCE IS NOT:

- **True excess** funds used for any purpose
- **A self-replenishing source**
- **A yearly guarantee**

How does SBISD use FUND BALANCE?

SBISD leverages unassigned fund balance to support the district's cash flow needs.

- SBISD's fiscal year end is June 30. **However, our teachers are paid based on their contract year (Sept. – Aug.), not our fiscal year.**
- SBISD's begins receiving property tax payments in December. However, the district has cash flow needs to fund operations in the summer and fall months.

The district has budgeted to use 25% of fund balance to maintain current programming for the current 2023-24 fiscal year.

How does SBISD use FUND BALANCE?

SBISD uses fund balance for **unforeseen catastrophic events** such as weather events or damage to facilities.

Insurance reimbursements can take 1-2 years to be received.

Spring Branch ISD FUND BALANCE

Fund Balance as of June 30, 2023	
Non Spendable:	
Prepaid Expenditures	\$2,200,000
Inventory	\$2,400,000
Assigned:	
23/24 Use of Fund Balance	\$36,500,000
Capital Equipment Replacement	\$2,200,000
Compensated Absences	\$10,200,000
Disaster Response	\$14,000,000
Unassigned:	\$70,000,000
Total:	\$137,500,000

JUNE 30, 2023

COMPONENTS OF THE SBISD BUDGET

As of January 2024

SUPPLIES & MATERIALS
\$14,775,309
3.74%

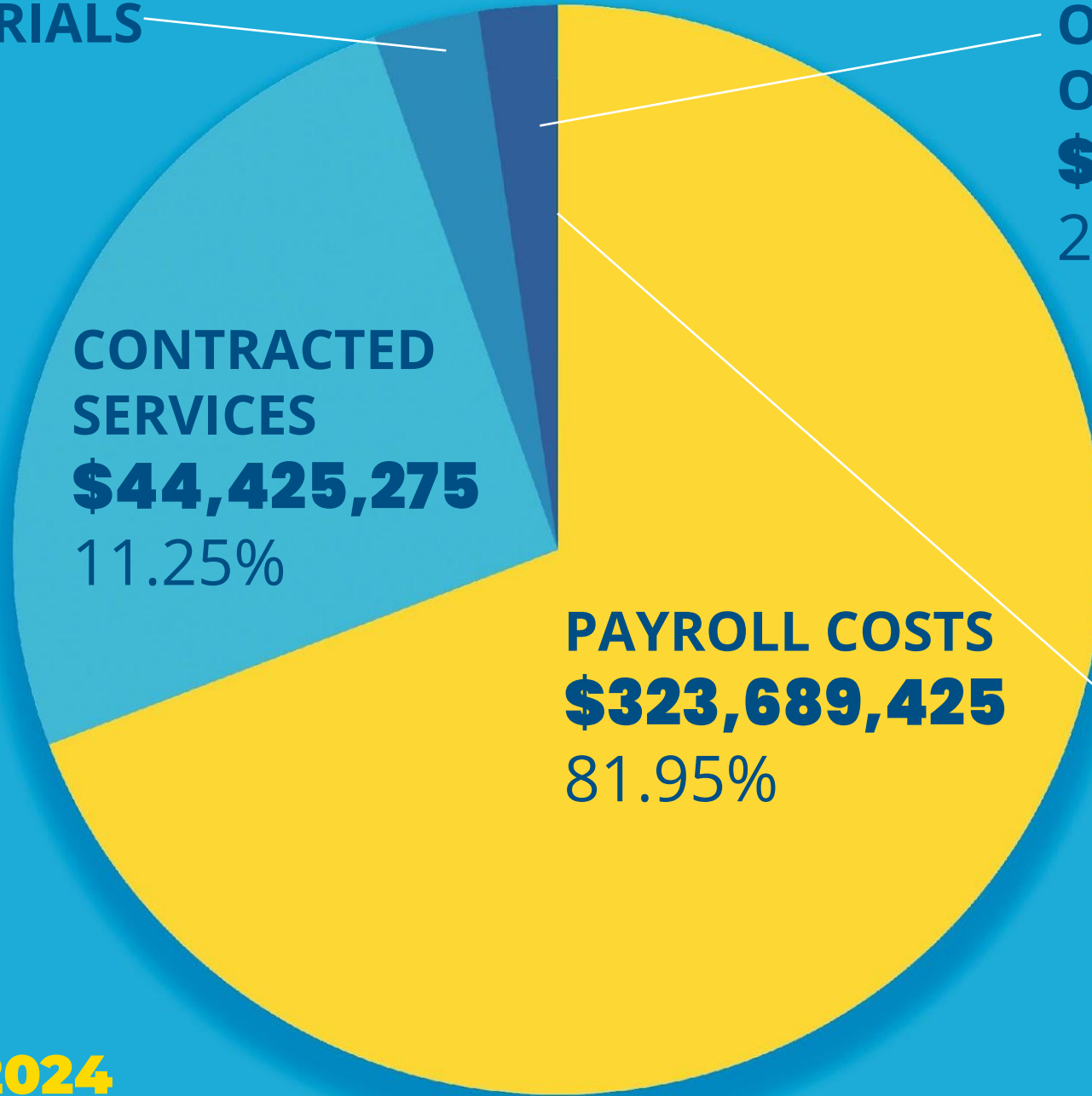
**OTHER
OPERATING COSTS**
\$10,576,840
2.68%

**CONTRACTED
SERVICES**
\$44,425,275
11.25%

PAYROLL COSTS
\$323,689,425
81.95%

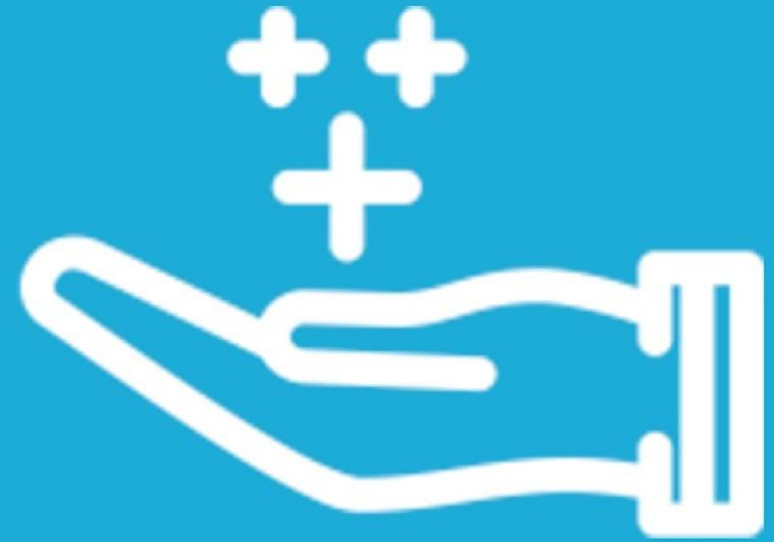
FIXED ASSETS
\$1,503,073
0.38%

TOTAL
\$394,969,924
As of January 2024



BEYOND
OUR CONTROL

BENEFITS
\$53.8 million



As of January 2024

PROPERTY INSURANCE

\$5.6 million



As of January 2024

UTILITIES

\$4.6 million



As of January 2024

HCAD PAYMENT

\$3.5 million

As of January 2024



LEGAL FEES

\$.6 million

As of January 2024



RECAPTURE

\$7.5 million



Shown as a reduction to revenues to calculate Net State Funding on budget slide. Listed here as an expenditure beyond our control.

As of January 2024



\$76 MILLION

(19% of expenditures, including recapture)

SUPPLIES & MATERIALS
\$14,775,309
3.74%

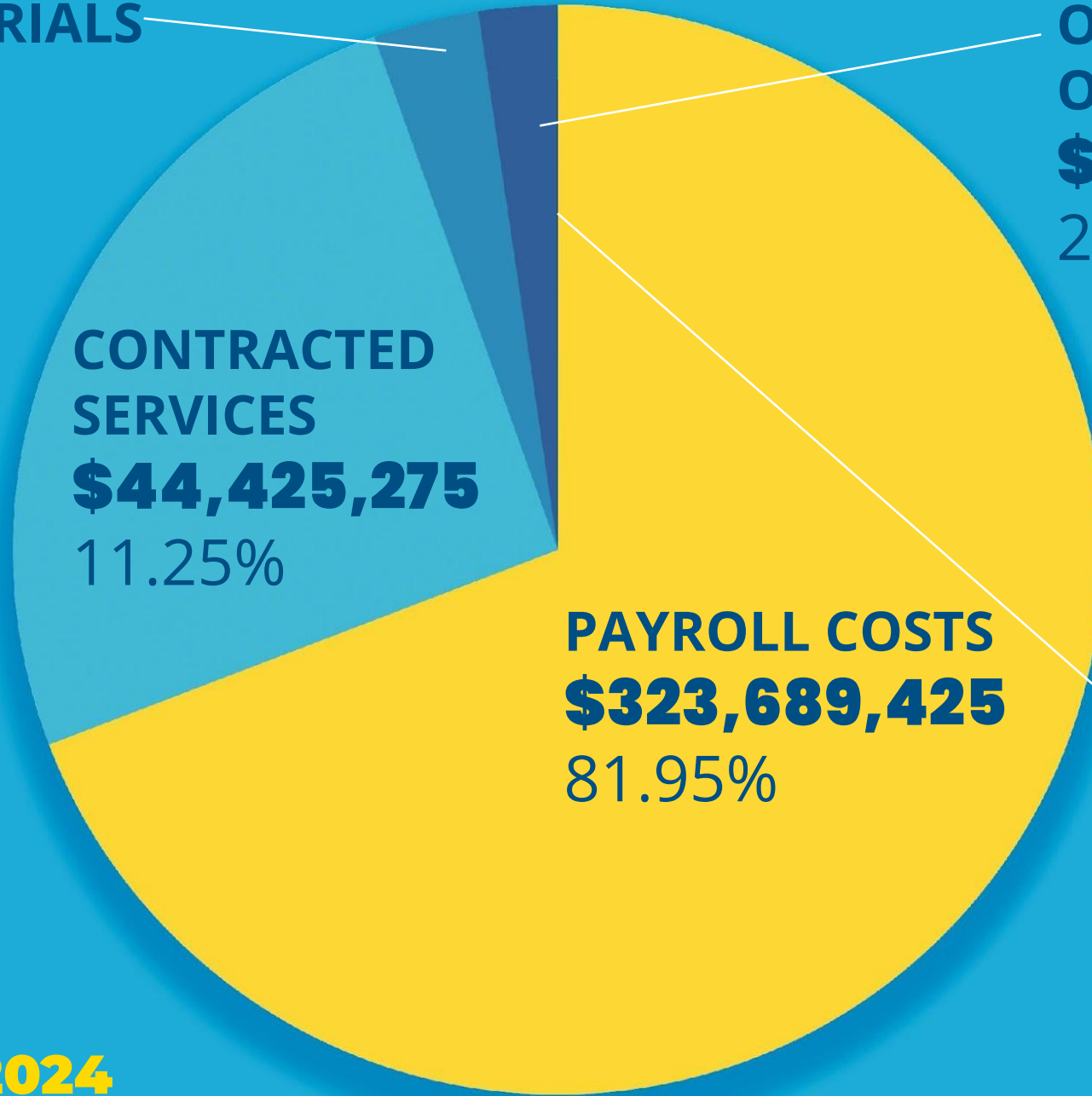
**OTHER
OPERATING COSTS**
\$10,576,840
2.68%

**CONTRACTED
SERVICES**
\$44,425,275
11.25%

PAYROLL COSTS
\$323,689,425
81.95%

FIXED ASSETS
\$1,503,073
0.38%

TOTAL
\$394,969,924
As of January 2024



SUPPLIES & MATERIALS
\$14,775,309.19
4.65%

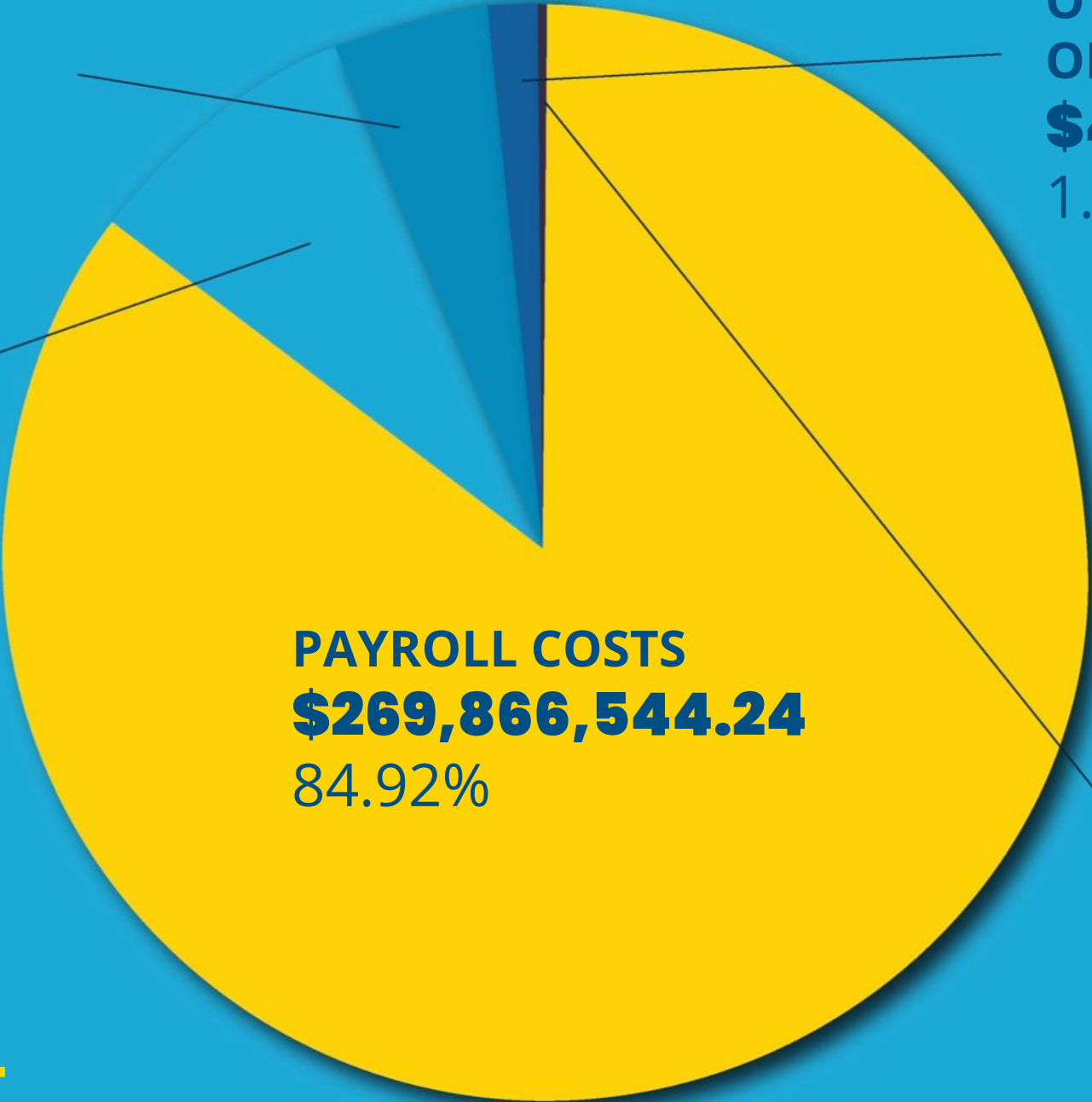
OTHER
OPERATING COSTS
\$4,973,855.57
1.57%

CONTRACTED
SERVICES
\$27,574,840.48
8.68%

PAYROLL COSTS
\$269,866,544.24
84.92%

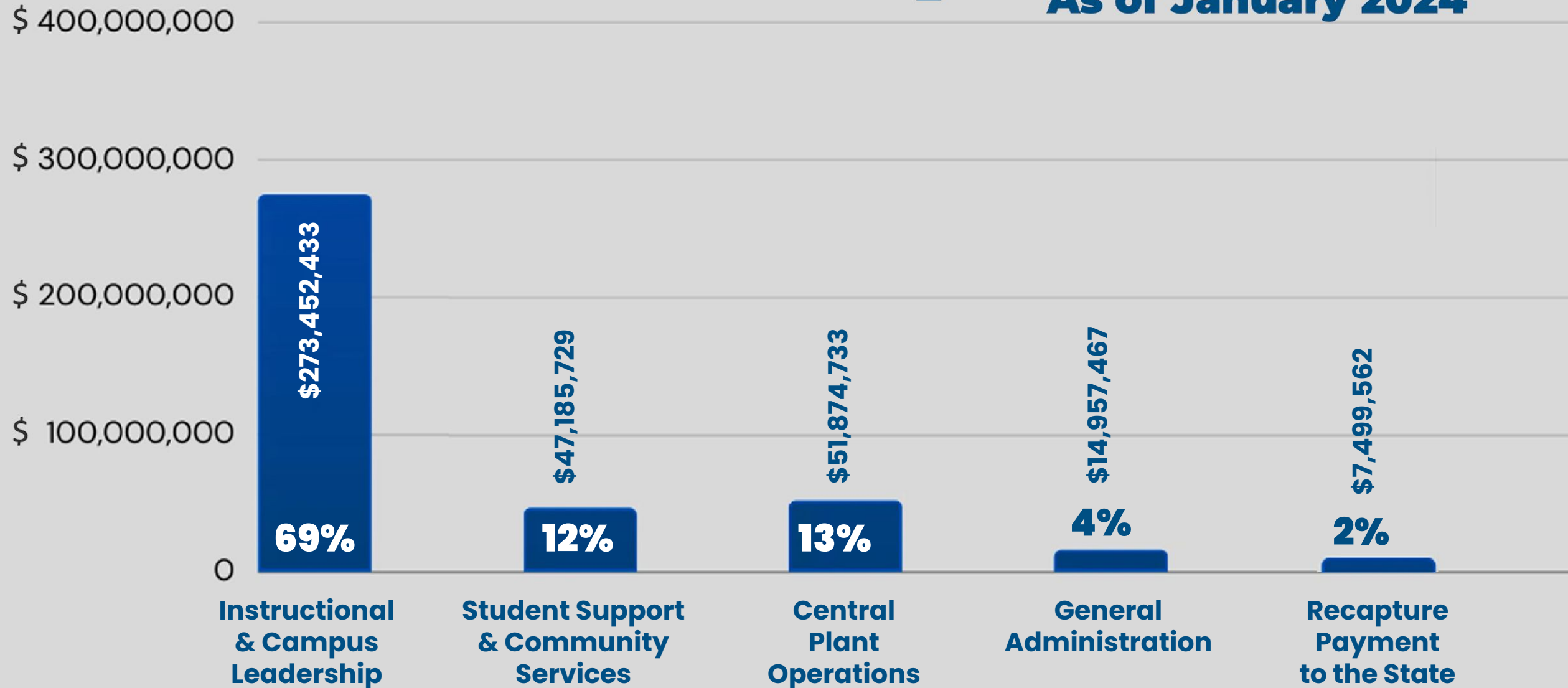
FIXED ASSETS
\$600,821.85
0.19%

TOTAL
\$317,791,371.33
As of January 2024



General Fund by Function

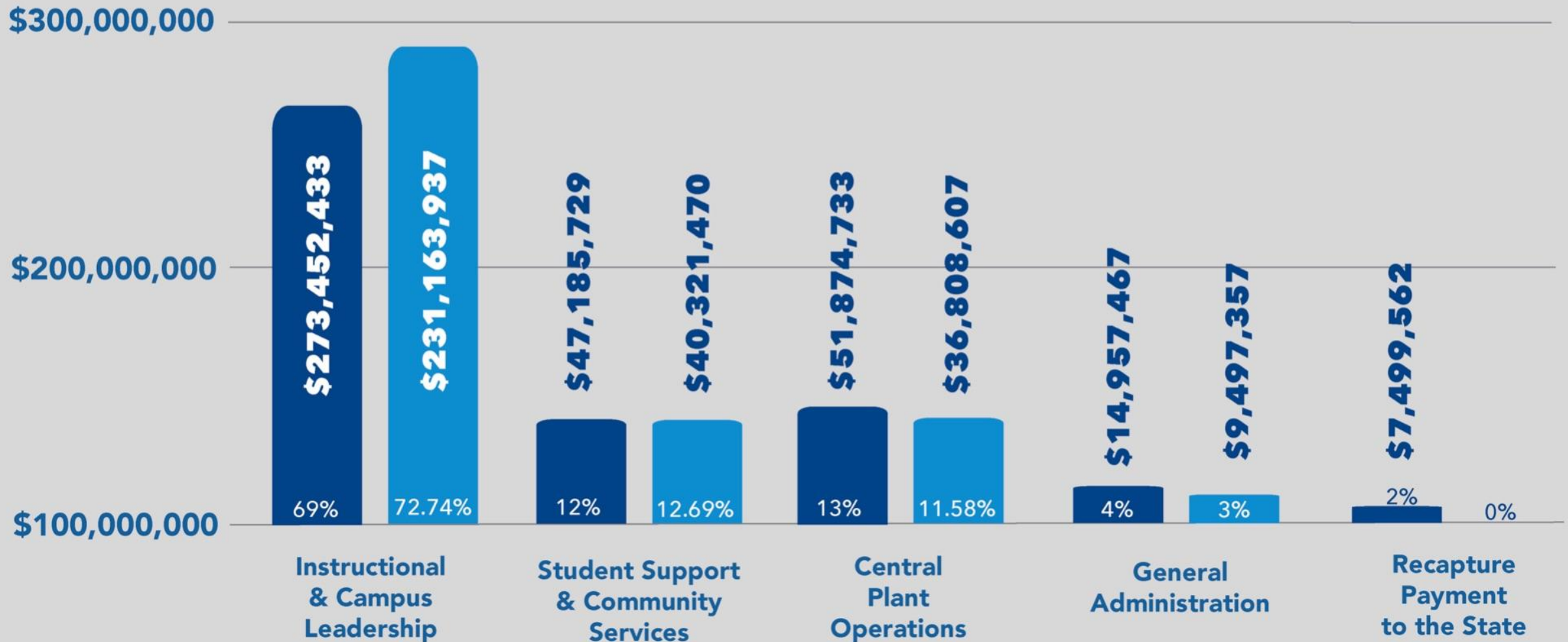
As of January 2024



\$76 MILLION

General Fund by Function

As of January 2024



BOTTOM LINE

\$35 MILLION

reductions made for 24/25

Budget Reductions

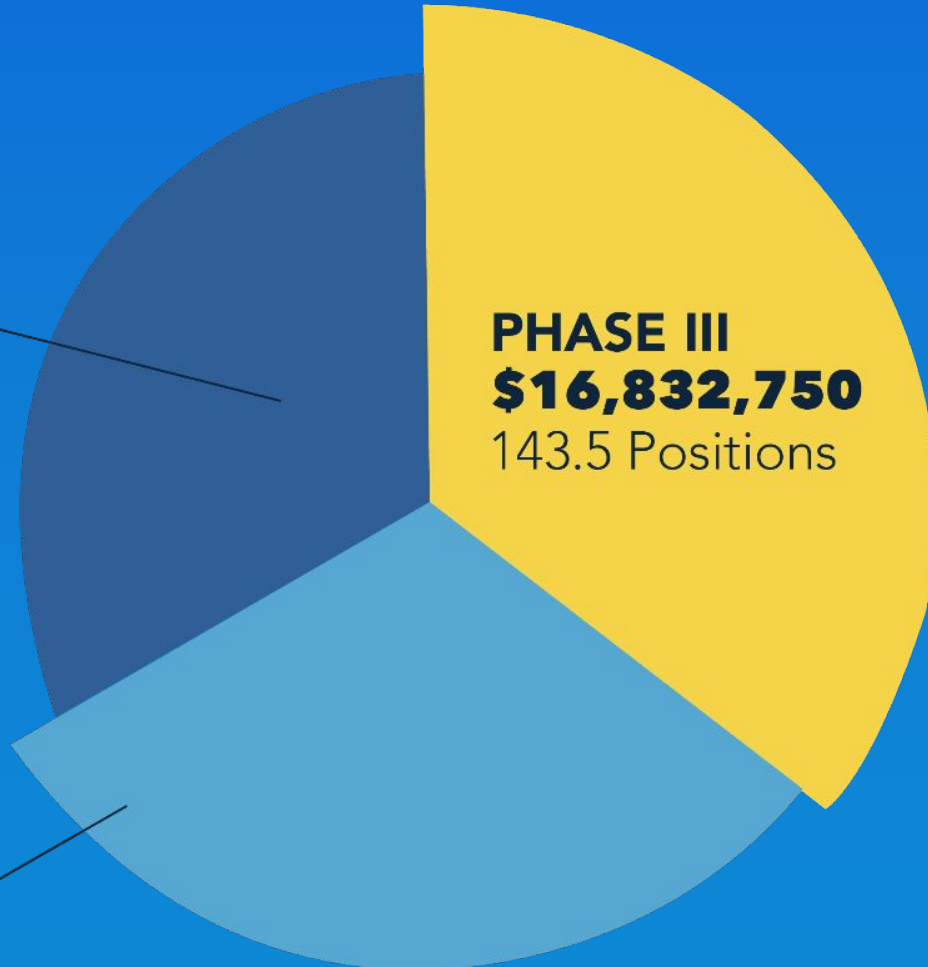
- **Cut \$20M in personnel and program costs funded by ESSER (FY23)**
- **Reduced central office budgets by 10% (FY23, FY 24) for a total of \$7M**
- **Trustees approved Phase I resolutions (FY25):**
 - Increased Pre-Kinder tuition
 - Changed Pre-Kinder boundaries
 - Increased high school staffing ratio and aligned schedule
 - Paused four remaining 2017 Bond Program elementary rebuilds
 - Closure of Treasure Forest Elementary School
 - Closure of Panda Path PK Center
- **Trustees approved Phase II resolutions (FY25):**
 - Termination of the SKY Partnership with Kipp and YES Prep
- **Restructure SPIRAL Program Change (FY25)**
- **Phase III reductions affecting staffing across the district, with a focus on centralized departments**

Summary of Budget REDUCTIONS

As of January 2024

PHASE III
\$5,751,775
71 Positions

PHASE I & II
\$12,417,858
91 Positions



PHASE I AND II

- Reduce departmental operating budgets & staffing
- Closure of Treasure Forest Elementary
- Closure of Panda Path Pre-K
- Increase high school teacher ratio (from 1:23 to 1:25) and align high school schedules
- Restructure elementary GT services (SPIRAL)
- Dissolve SKY Partnership

PHASE III

Reduce Departmental Operating Budgets & Staffing

- Reduce centralized academic instructional support (instructional specialists, transformational learning specialists) and other Academics division positions

- Reduce central office division staffing in finance, community engagement, operations, technology, administration, human resources and talent

- Reduce central office department operating budgets

Reduce Campus Operating Budgets & Staffing

- Reduce & restructure elementary/middle school counseling programs

- Reduce & restructure library services

- Reduce & restructure athletic training staff

- Reduce campus operating budgets

TOTAL
\$35,002,383
305.50 Positions

A group of diverse school children, including boys and girls of various ethnicities, are walking in a school hallway. The image is overlaid with a solid blue tint. In the center, the word "DISCUSSION" is written in large, bold, yellow capital letters. The children are dressed in casual clothing, and some are wearing backpacks. The hallway has a tiled floor and bulletin boards in the background.

DISCUSSION



BUDGET PRESENTATION

Spring Branch Independent School District

2024 / 2025