



Texas School Finance 101 & Implications for Belton ISD

Spring 2024



School Funding 101





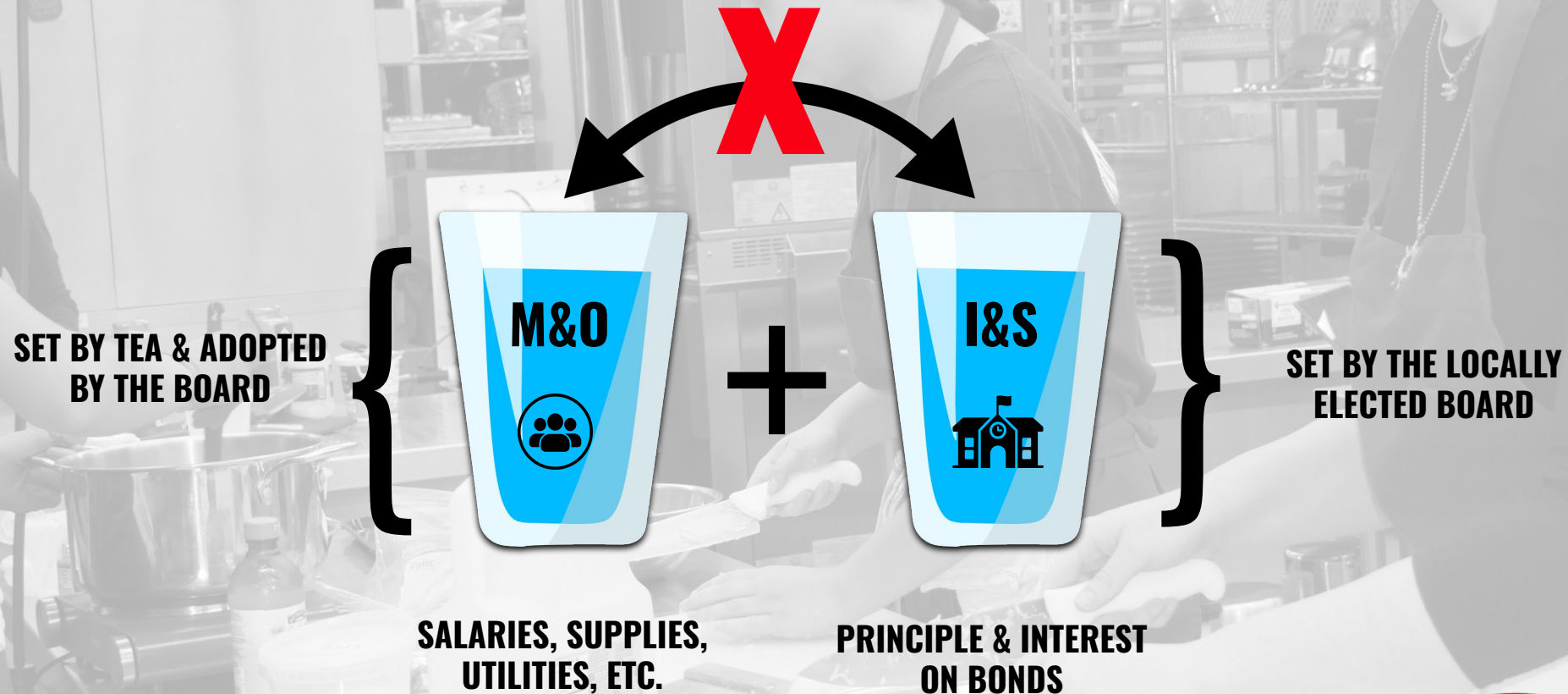
Purpose

Provide information on Texas school finance and implications for Belton ISD.

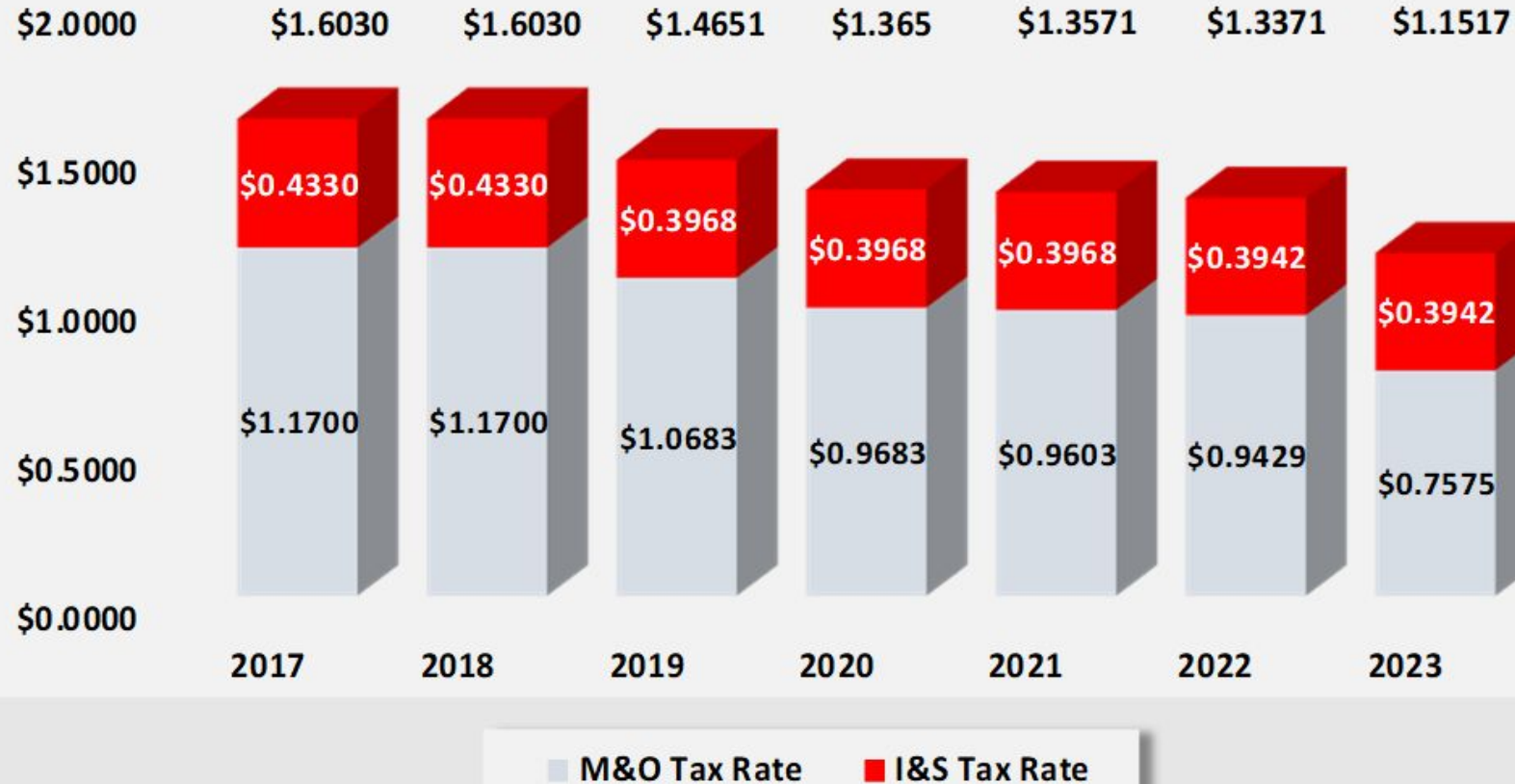


Texas School Funding

Two tax rates make up the total tax rate for school districts



BISD Historical Tax Rate



“If the tax rate went down, but my property tax bill went up because of the appraised value, isn't BISD getting more money?”

M&O

No, the amount BISD receives is determined by the basic allotment. When property values and tax collections increase, the district gets less money from the state. The public school funding formula is controlled by the Legislature.

\$6,160 Basic Allotment



MORE STATE AID

**LESS PROPERTY TAX
COLLECTIONS**

\$6,160 Basic Allotment



LESS STATE AID

**GREATER PROPERTY TAX
COLLECTIONS**

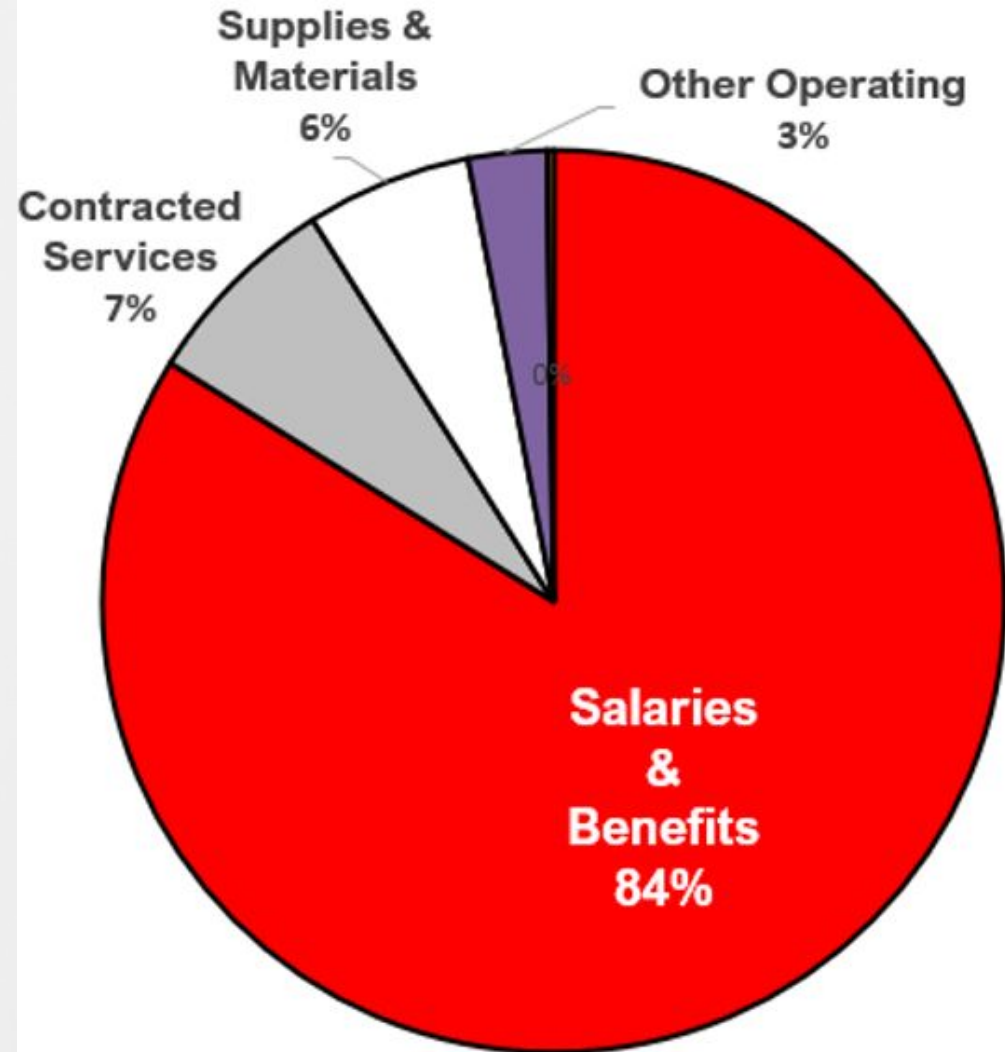
Local property taxes fill the glass first. The state fills in any space that is left.

General Fund Expenditures



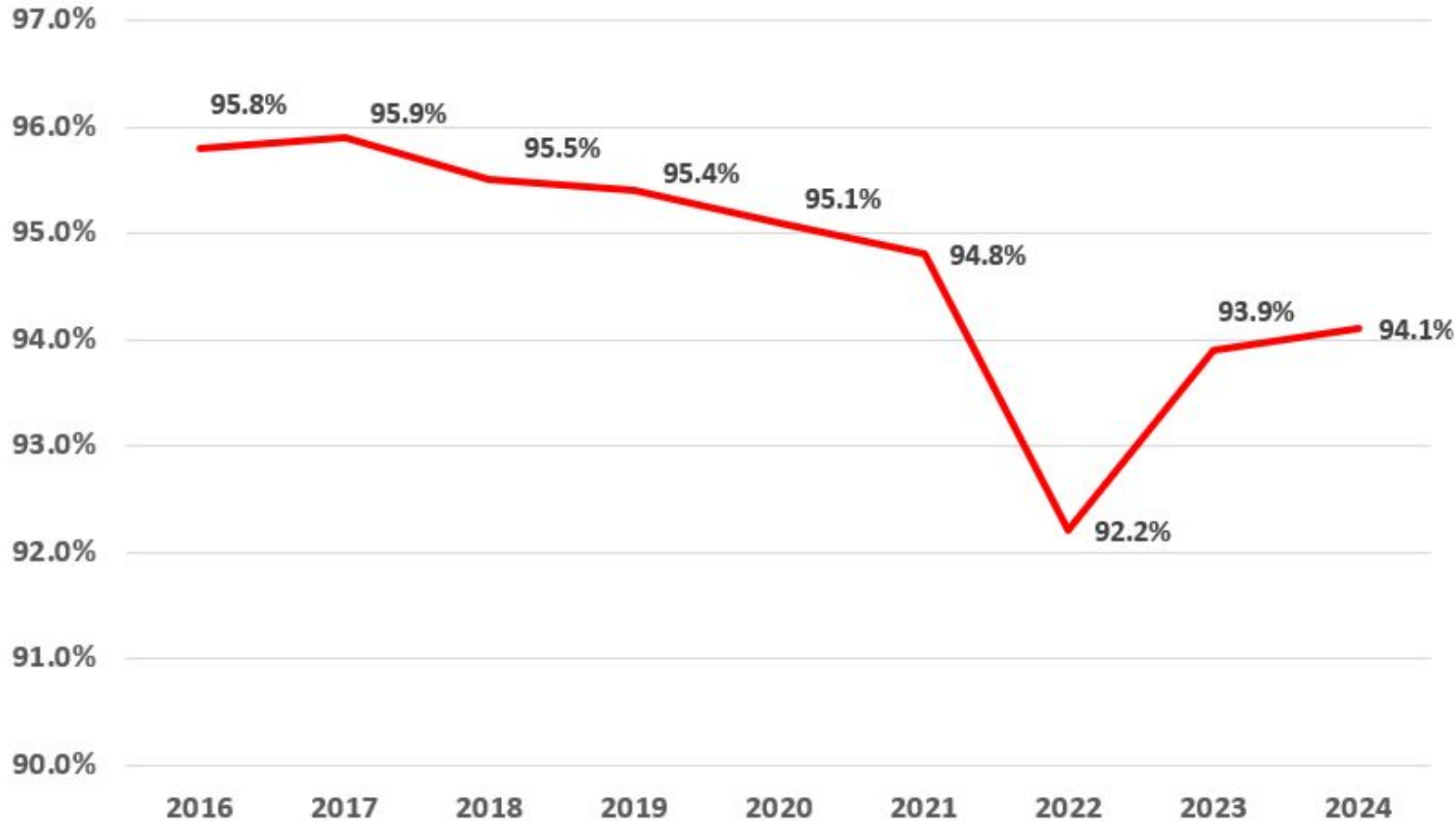
M&O tax rate goes to the general fund.

The greatest expenditure for school districts is salaries and benefits.



BISD Historical Attendance Rate

Attendance Percentage



Did you know?

1%

**increase
in student
attendance**

**= \$1 million
in additional funding**

The Role of the Legislature



Legislative Overview

88th Legislature Convened in January 2023 with a \$32.7 billion budget surplus.

Regular Session: Met for 20 weeks
Special Session 1 (May 29 - June 27)
Special Session 2 (June 27 - July 13)
Special Session 3 (Oct. 9- Nov. 7)
Special Session 4 (Nov. 7 - Dec. 5)

= No increase to the basic allotment
= No increase to the basic allotment
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Same Glass, Additional Expenses

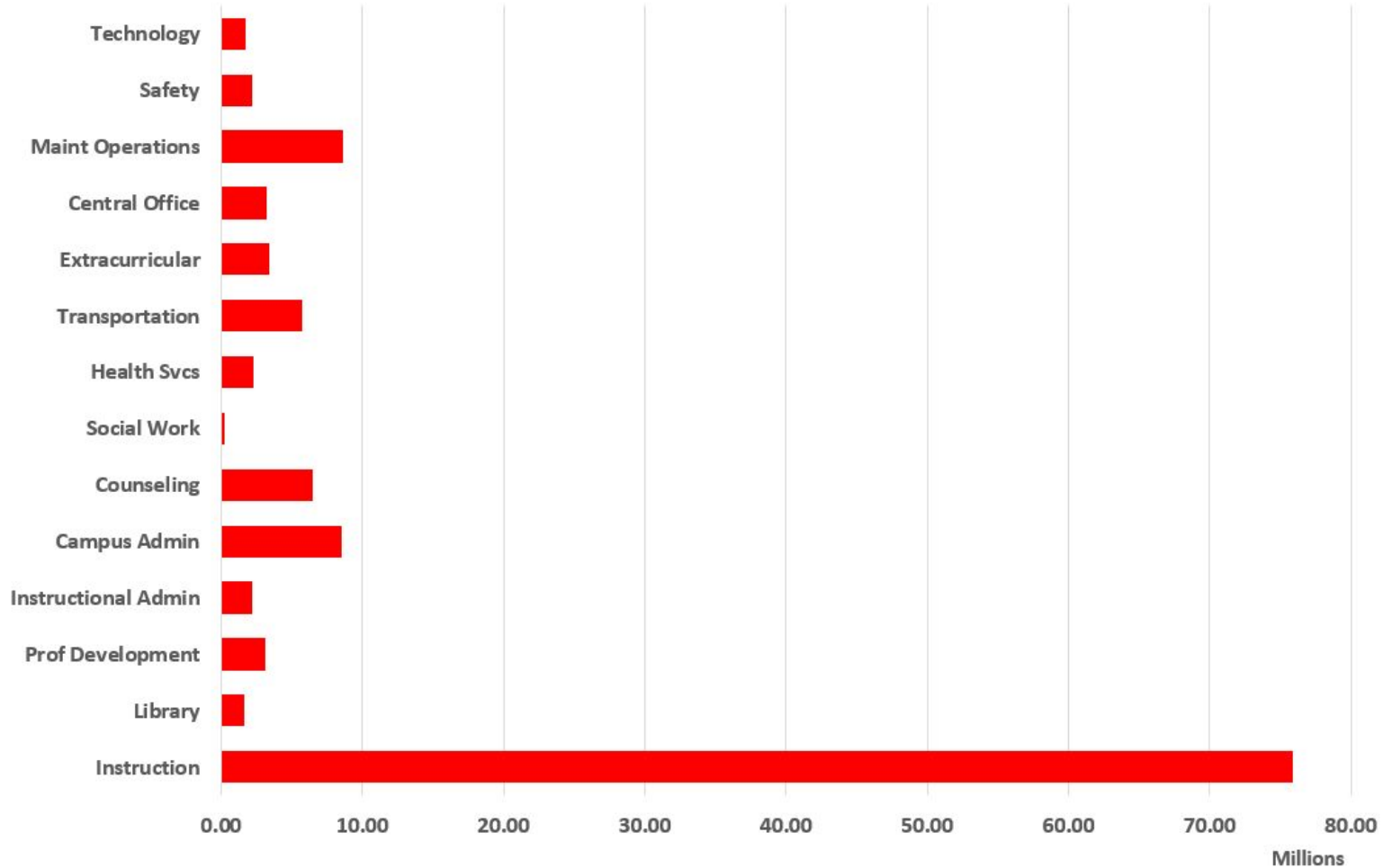
The Legislature increased the basic allotment only one time since 2016, that was in 2019.



**SALARIES, SUPPLIES,
UTILITIES, ETC.**

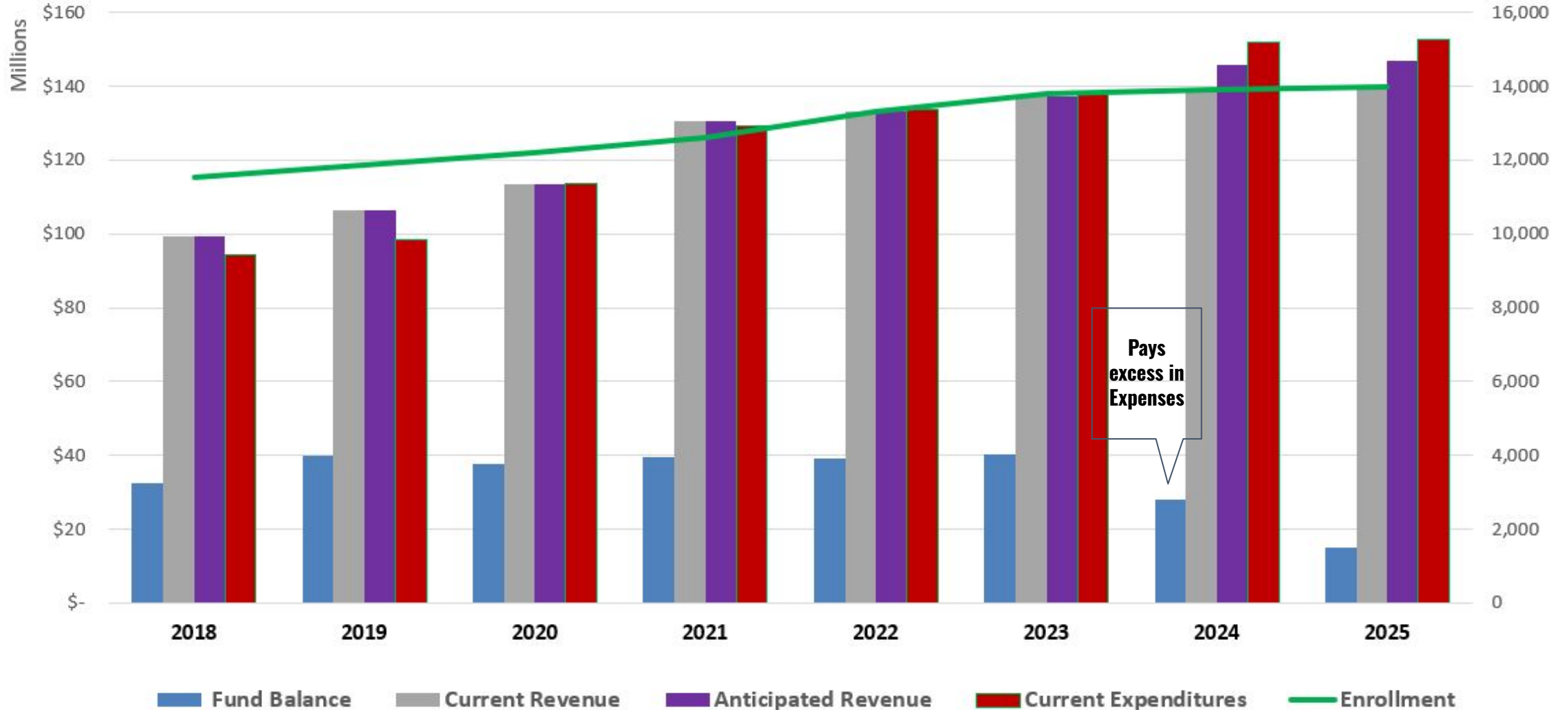
- While still growing, BISD's enrollment growth has slowed
- Fast-growth allotment decrease
- Lower student attendance
- Salary increases
- 19% inflation
- 50% reduction in SHARS funding
- Unfunded or underfunded mandates.
 - Example: Requirement for armed security guards (\$1 million)
- ESSER (COVID stimulus) ended

BISD Payroll by Staff Function



The Full Picture

General Fund Revenues & Expenditures Compared to Enrollment



Possible Implications



Possible Implications

Revenue generators:

Increase attendance

Tax rate increase

Increase impact aid

PEIMS audit

Advertising

Expenditure reductions:

Reductions in campus and department budgets

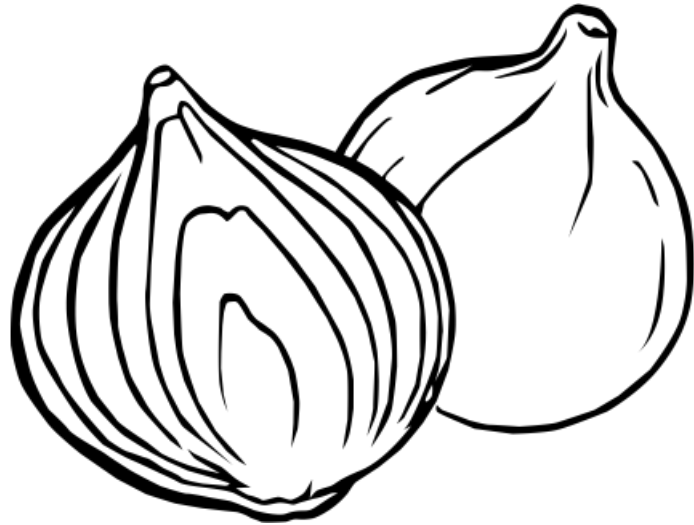
Reductions through attrition

Class size increase

Rethink programming



Administrative Priorities



Values and Beliefs will guide decision making.

“Onion” approach:

- **Goal is to impact classrooms and instructional staff as little as possible.**
- **Budget reductions will start at Central Office, Operations and Campus Support and work inward.**



Questions

