



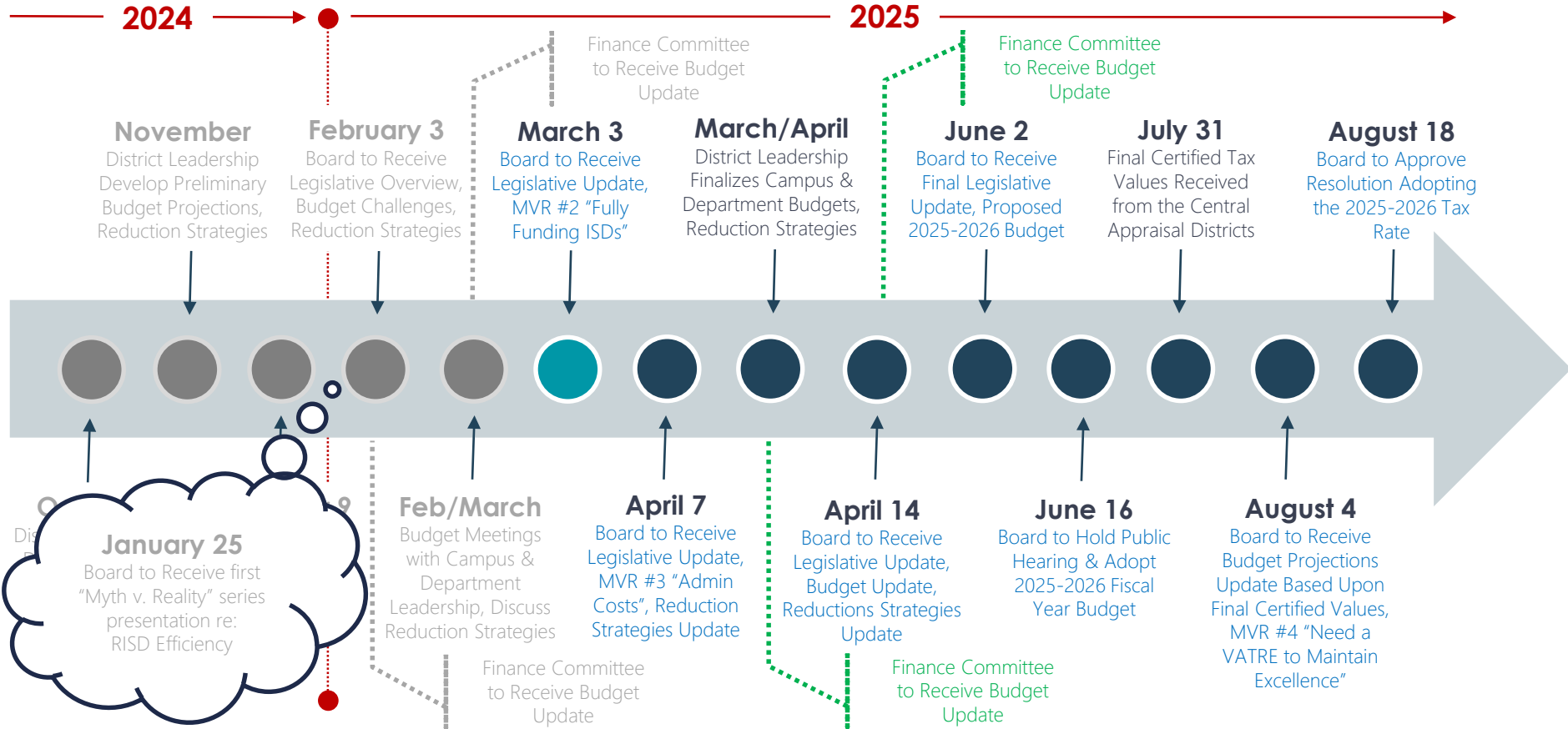
ROCKWALL ISD

Budget & Legislative Update | March 2025



2025-2026 BUDGET PROCESS

FY 2025-2026 Budget Process



“

“All-time high of \$70.53 billion in FY 2023”



“Fully fund” public schools

“Schools districts aren’t efficient”

“Per-Student funding has increased 55%
since 2014”

“Provided more funding than any
other Governor of Texas”

“Schools districts spend too much on
administration”



Rockwall ISD

Where Does the Money Go...

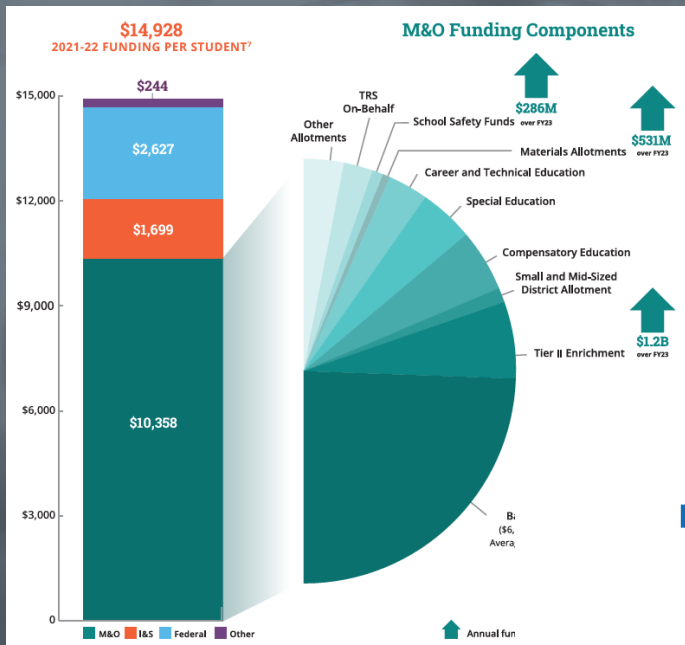
- MVR: Is Rockwall ISD “Not Financially Efficient?”
 - MVR: Are Public Schools “‘Fully Funded’ At Historically High Levels?”
 - MVR: Does Rockwall ISD “Spend Too Much On Administration?”
-



EMERGENCY

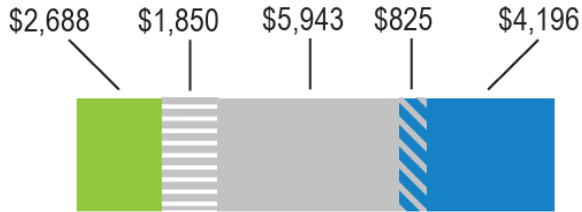


IS ROCKWALL ISD
'FULLY FUNDED'

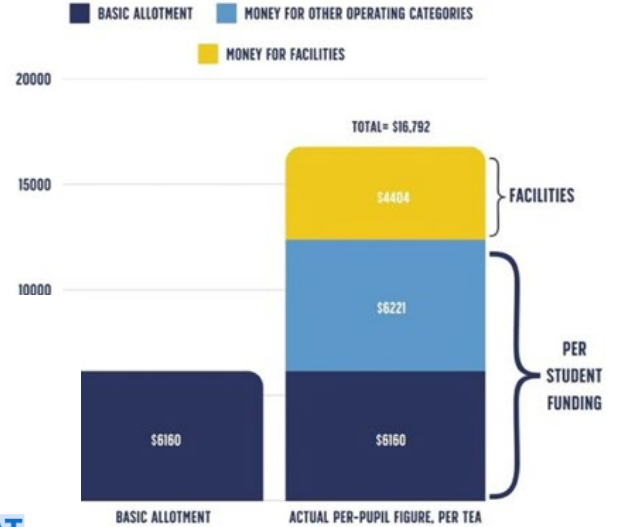


PER STUDENT FUNDING
\$15,503

PER STUDENT FUNDING SNAPSHOT



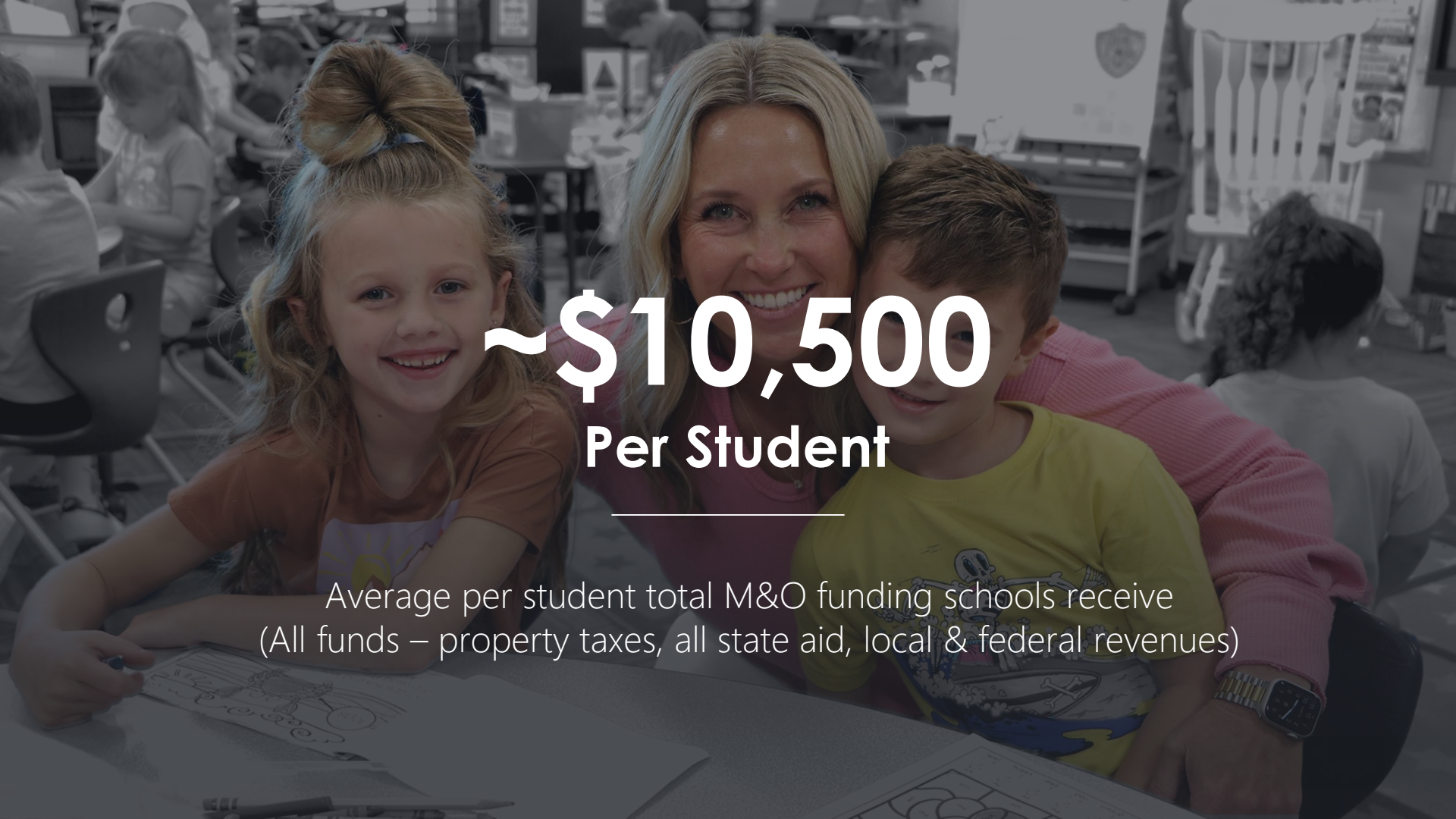
TEXAS PER-PUPIL FUNDING



FUNDING FOR EDUCATION IS NOT \$6,160 PER YEAR. IN REALITY, TEXAS SPENDS NEARLY \$16,792. \$12,381 FROM ALL OPERATING SOURCES \$4,404 FROM FACILITIES.

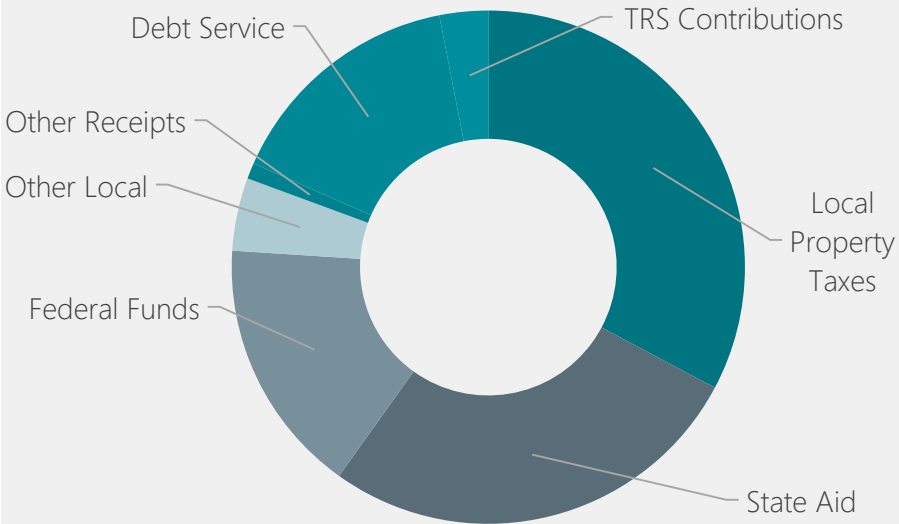
\$14,928
 Per Student

udent

A photograph of a smiling female teacher with blonde hair sitting at a table with two young students, a girl and a boy, in a classroom. They are all smiling and looking towards the camera. The teacher is wearing a pink sweater and a watch. The girl is wearing a brown shirt and the boy is wearing a yellow shirt. They are sitting at a table with papers and markers. The background shows other students and classroom furniture.

~\$10,500
Per Student

Average per student total M&O funding schools receive
(All funds – property taxes, all state aid, local & federal revenues)



EDUCATION REVENUES

Total statewide revenues in 2022-2023 for all public schools totaled approximately

\$87.5B

2022-2023 EDUCATION REVENUES

According to the most recent audited financial data from FY2022-2023, the statewide revenue for public schools as reported by the Texas Education Agency totaled \$87.5 Billion when you exclude amounts related to debt service.

BREAKDOWN OF REVENUES

According to the most recent audited financial data from FY2022-2023, the statewide revenue for public schools reported by the Texas Education Agency totaled approximately \$15,905 per student. However, you'll notice that this includes several line items that either do not go to school districts or are required to be designated for purposes outside of the classroom.

STATEWIDE 5.5 MILLION STUDENTS

	All Funds	%	Per Student
Local Property Taxes	\$28,691,872,133	32.8%	\$5,214
State Aid	\$23,719,158,787	27.1%	\$4,310
Federal Funds	\$14,132,922,804	16.1%	\$2,568
Other Local	\$4,021,402,796	4.6%	\$731
Other Receipts	\$879,081,869	1.0%	\$160
TRS On-behalf	\$2,680,158,246	3.1%	\$487
Debt Service	\$13,404,284,488	15.3%	\$2,436
Total	\$87,528,881,123	100.0%	\$15,905

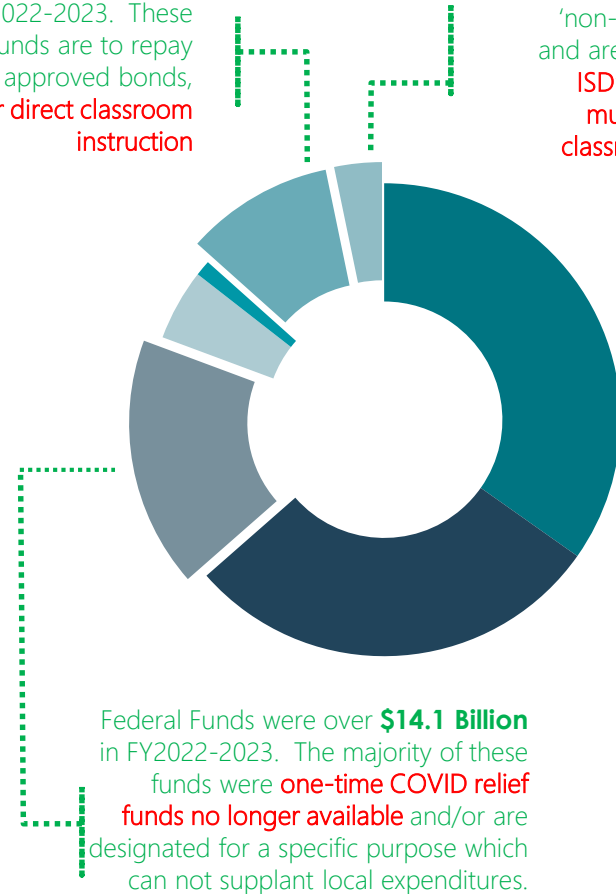
MISLEAD #1

Including Non-Classroom Items

TRS Contributions, Debt Service, and Federal Funds in FY2022-2023 totaled \$30.2 Billion and are 'counted' towards the total revenue per student quoted by state leadership. However, these funds either are not available to spend on classroom instruction, are one-time relief funds no longer being received, or are not able to supplant local expenditures.

Debt Service was over **\$13.4 Billion** in FY2022-2023. These funds are to repay voter approved bonds, **not for direct classroom instruction**

TRS Contributions were over **\$2.7 Billion** in FY2022-2023. This is a 'non-cash' transaction and are **not available to ISD's to spend at all, much less on direct classroom instruction.**



AVERAGE STATEWIDE REVENUES

The per student funding for TRS Contributions, Debt Service, and Federal Funds 'counted' towards the total revenue per student quoted by state leadership equals approximately \$5,491 per student that is either not available for classroom instruction, one-time in nature, or is designated for specific purposes.

AVERAGE PER STUDENT REVENUE

Adjusting for one-time funds and funds not available for classroom instruction

\$10.4k

Total Statewide Education Revenue	\$15,905
Less: Federal COVID Relief Funds Federal Funds for Specified Purposes Other One-time Federal Funds	(\$2,568)
Debt Service	(\$2,436)
TRS On-behalf Contributions	(\$487)
Adjusted Statewide Education Revenue	\$10,414



“

“This analysis assumes public school students that leave to enroll in private schools would generate a savings under the Foundation School Program (FSP) estimated at \$10,512 per student in 2027...”

Fiscal Note Report – Senate Bill 2 (the “ESA” bill)

AVERAGE STATEWIDE REVENUES

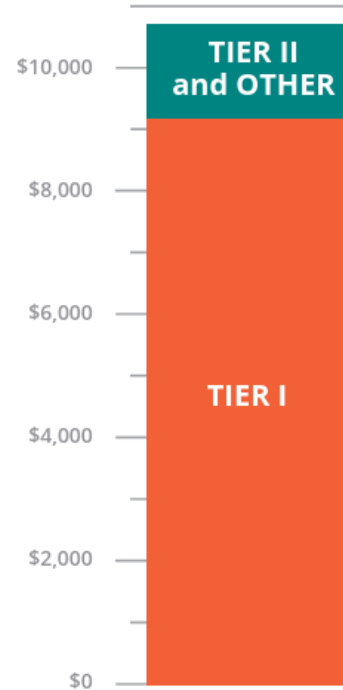
According to the 2024 Annual Report from the Texas Education Agency, schools receive approximately

\$10,800

On average per student in total maintenance and operations funding



Schools received **\$10,800** on average per student in total M&O in 2023-24¹⁴



\$24.6M
\$35.1M

BY COMPARISON

In FY2022-2023, Rockwall ISD received less funding per student than its peer districts and the statewide average. Approximately \$1,284 per student less than its peer districts and \$1,830 less than the statewide average

Per Student Revenue

\$8,584



\$9,868
per



\$10,414
per
student



State Aid,
\$4,310,
41%



All Other
Funds,
\$6,105,
59%

STATE FUNDING

The average per student
funding actually provided
directly from the State totaled

\$4.3k

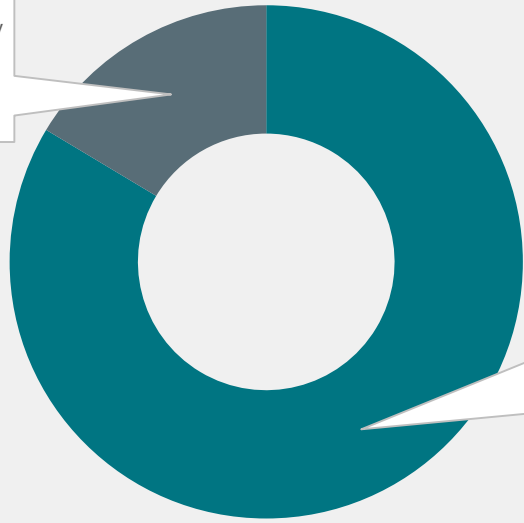
MISLEAD #2 Proportion of Revenue

Of the average per student funding
totaling \$10,414, the State only
provides approximately 41% of this
total number or a per student total of

\$4,310

which of course is much less than the
\$16,000 reported by state leadership

State Aid,
\$1,408,
16%



All Other
Funds,
\$7,176,
84%

STATE FUNDING

The average per student
funding actually provided
directly from the State totaled

\$1.4k

ROCKWALL ISD STATE FUNDING

Of Rockwall ISD's per student funding totaling \$8,584, the State only provides approximately 16% of this total number or a per student total of

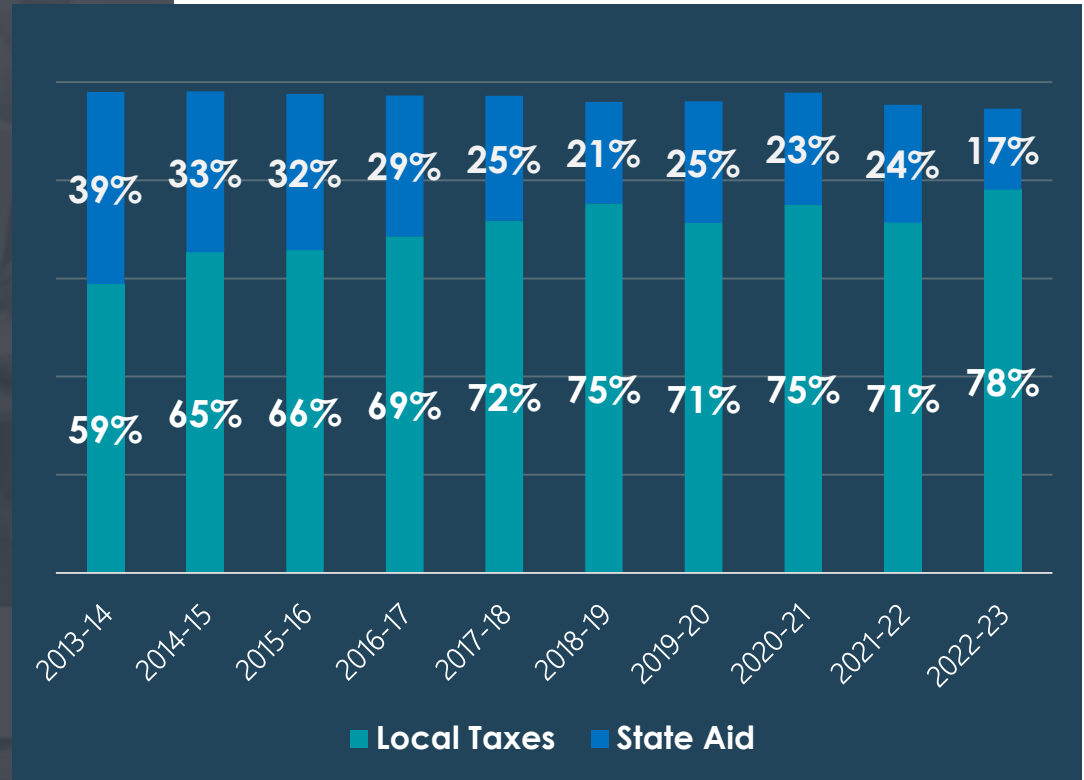
\$1,408

which continues to decrease as local property values increase

MISLEAD #2

Proportion of Revenue

The breakdown of the total amount of K-12 public education funding between local taxpayers and the state has changed dramatically. Over the past 10 years, the state contribution of the overall education funding has decreased from 39% to 17% for Rockwall ISD.



The background of the image is a grayscale photograph of the Texas State Capitol building in Austin, Texas. The building is a large, classical-style structure with a prominent central dome and a portico with columns. In the foreground, there are trees and a paved area. In the upper left corner, there is a large, faint watermark of the Texas State Seal, which features a five-pointed star surrounded by a wreath and the words "THE STATE OF TEXAS".

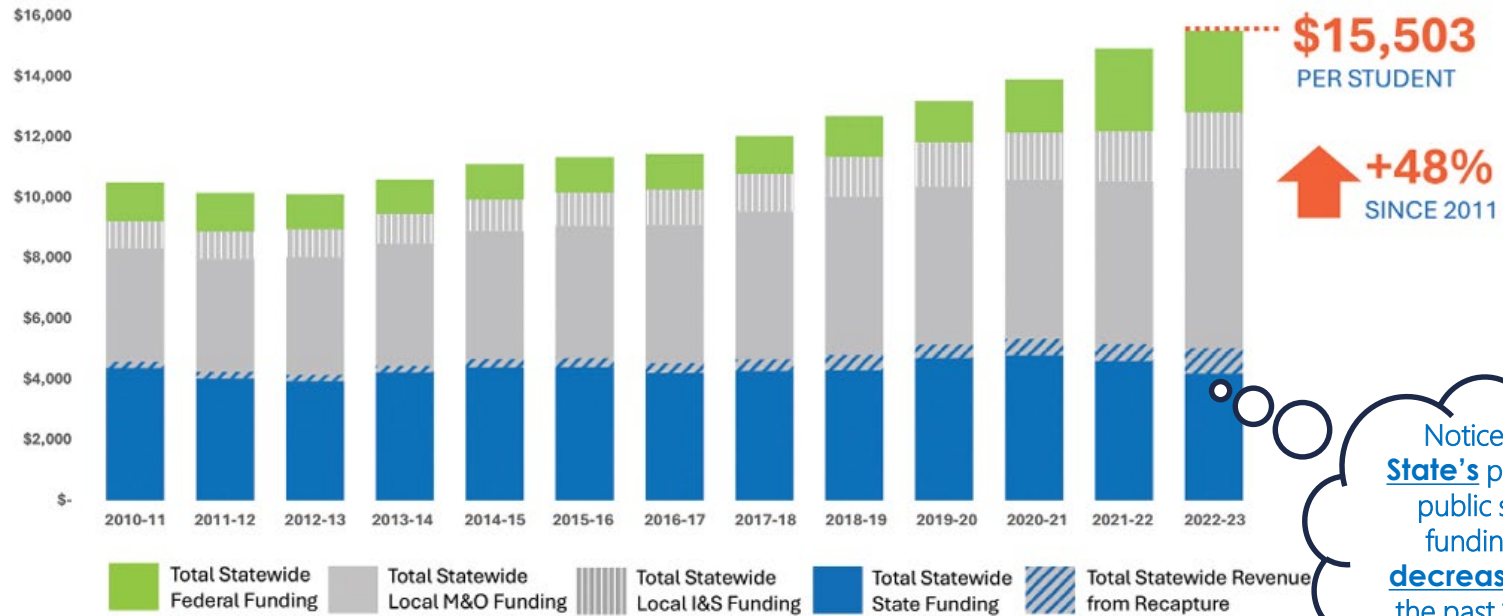
“

\$15,503

Per Student

2024 Annual Report, Texas Education Agency

TEA ANNUAL REPORT



Notice: The State's portion of public school funding has decreased over the past 10 years

"Roughly **\$100/student** of this number is actually for **TEA to provide administration & oversight** over schools..."



TEXAS HOUSE of REPRESENTATIVES

89th Legislature



[Accessibility Policy](#) | [Privacy Policy](#)

[Members](#) ▾ [Committees](#) ▾ [Broadcast Events](#) ▾ [Research](#) [Resources](#) [Schedules](#) [Help](#) [About](#)

Public Education



COMMITTEE ON PUBLIC EDUCATION



23:58



-3:26:05

1x

"The large increase in the green bars is due to **one-time infusion** of federal resources that has **dried up...** this will **drop by \$1,000/student** next year..."

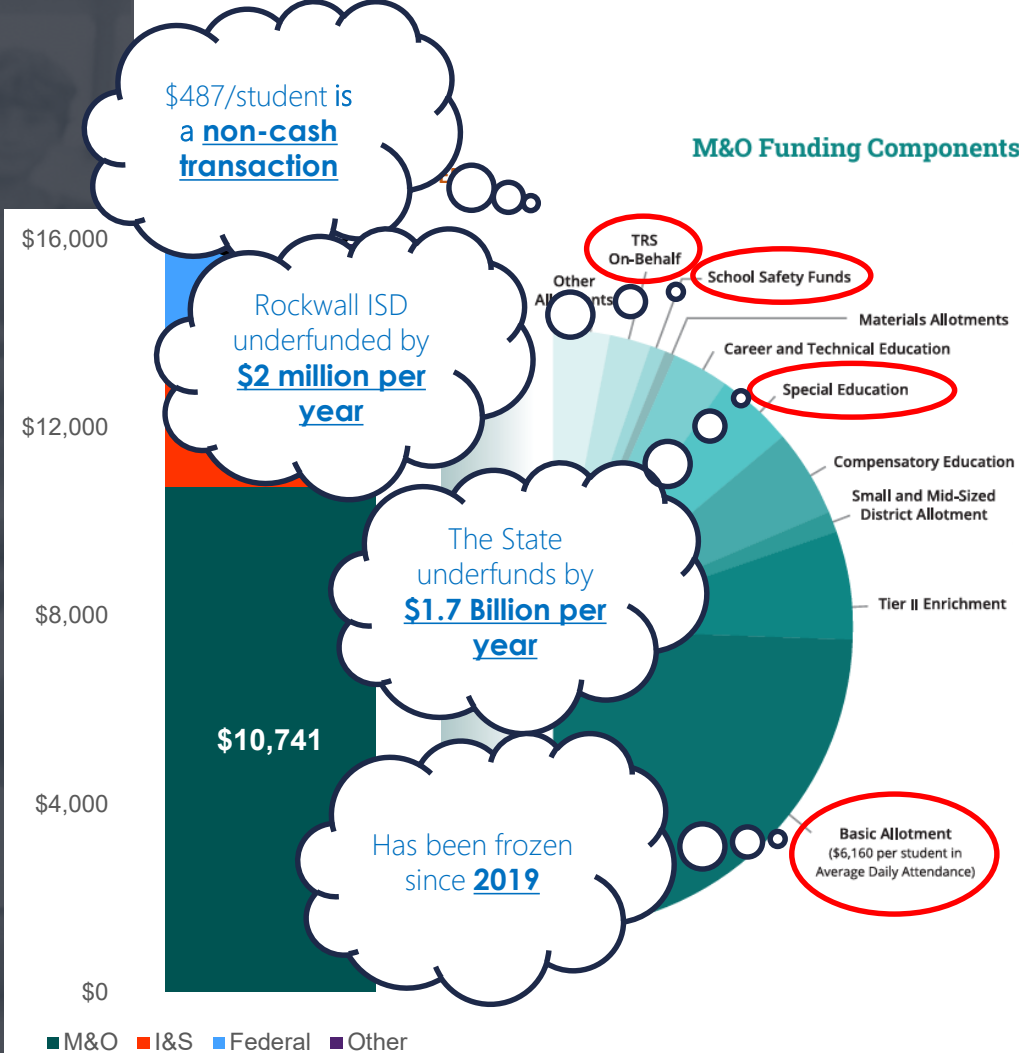
"**Inflation** has been at **historic highs** over the last few years... as high as **24%**... Raw dollars are one thing but **we all have to live with inflation...**"

"**Different** buckets of money... I&S money is **not** classroom money... bond money can **only** be used to build buildings..."

M&O Funding Components

Breakdown of School Funding Components

According to the 2022-2023 financial data reported by the Texas Education Agency, the quoted \$15,905 funding per student includes funding for voter authorized debt to construct new facilities, one-time federal funds, as well as other funding not available to school districts or classroom instruction.



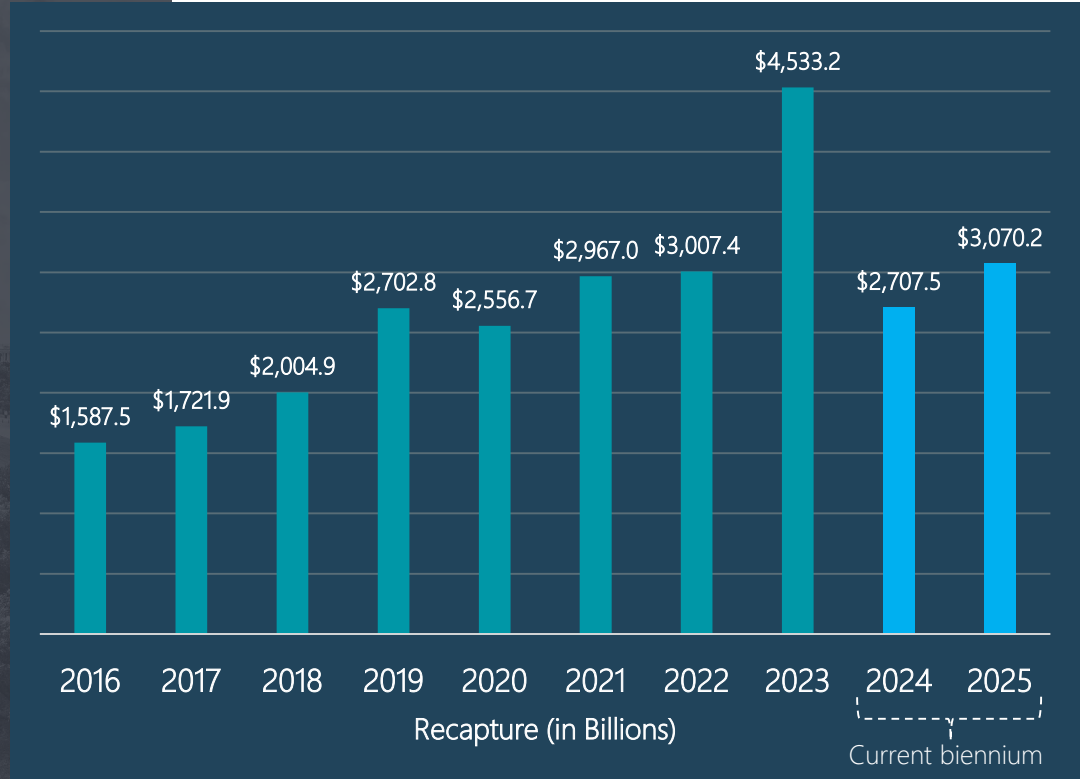
Source: TEA Annual Report 2024

MISLEAD #3 Including Recapture

Over the last 10 years recapture payments to the State have skyrocketed, most recently in FY2022-2023 to almost

\$4.5 Billion

However, increases in recapture payments to the state are 'counted' as "additional" funding for K-12 public education even though it does not increase funding for public schools.



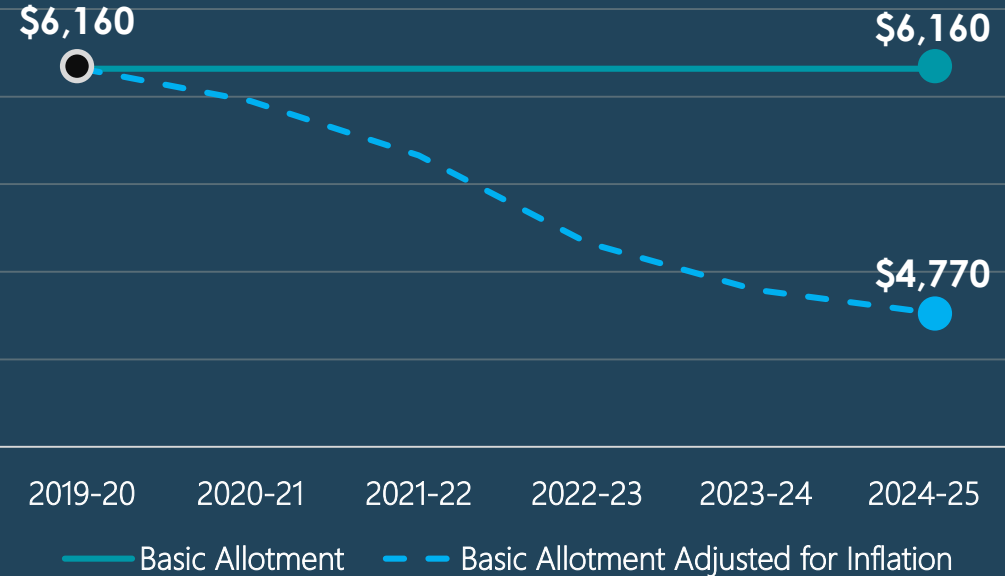
MISLEAD #4

Ignoring Inflation

In the previous 10 years, the Basic School Allotment has only been adjusted twice. During this time, school districts have been impacted by a worldwide pandemic, unfunded mandates, teacher shortages, increased performance measures and unprecedented inflation. Since 2019, schools district's buying power has declined by nearly

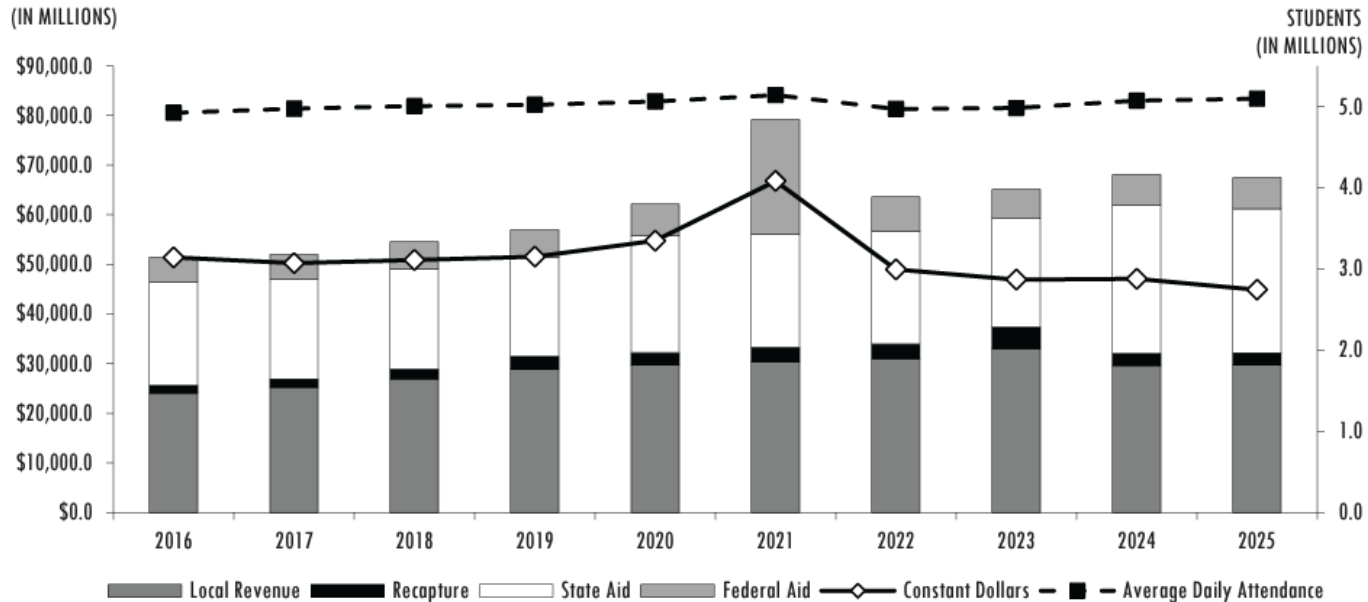
22%

Basic Allotment vs. Basic Allotment Adjusted for Inflation



LEGISLATIVE BUDGET BOARD

**FIGURE 151
PREKINDERGARTEN TO GRADE 12 TEXAS EDUCATION AGENCY FUNDING IN ACTUAL AND CONSTANT DOLLARS
FISCAL YEARS 2016 TO 2025**



LEGISLATIVE BUDGET BOARD

According to the 2024-25 Biennium Fiscal Size-up report produced by the LBB, 10-year funding for public education when adjusted into constant dollars has decreased by

\$6.5 Billion

PUBLIC EDUCATION FUNDING

Over the previous 10 years, when adjusted into constant dollars funding has decreased

\$6.5B

Year	Constant Dollars	Per Student Funding
2016	\$51.4 B	\$10,441
2025	\$44.9 B	\$8,812
10-Yr Change	(\$6.5 B)	(\$1,629)

The background features a grayscale image of the Texas State Capitol building in Austin, Texas. A large, faint watermark of the Texas State Seal is overlaid on the left side of the image. The seal contains the text "THE STATE OF TEXAS" and "1845" around a central five-pointed star.

“

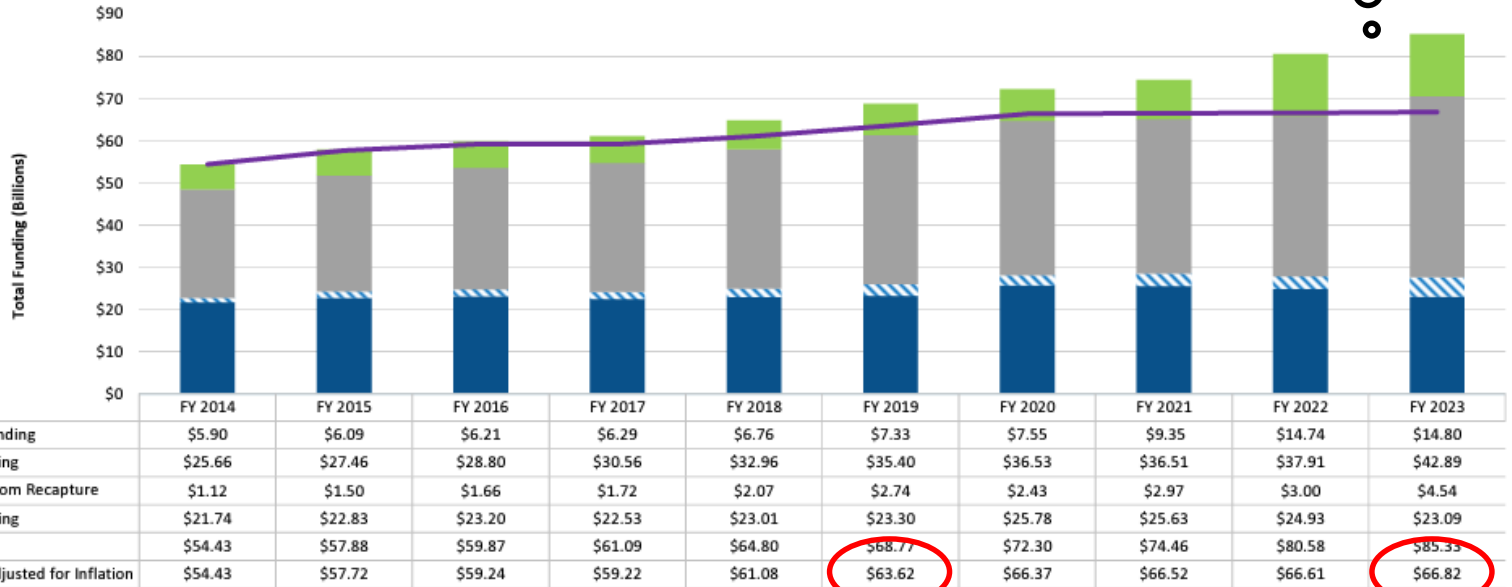
\$3.2 Billion

Increase in Annual Funding since 2019

2024 Report on Public Education State Funding Transparency,
Texas Education Agency

Includes **Billions**
in one-time
COVID relief funds
& Recapture

Total Annual Funding (inclusive of FSP and other funding sources)



+\$3.2B ?

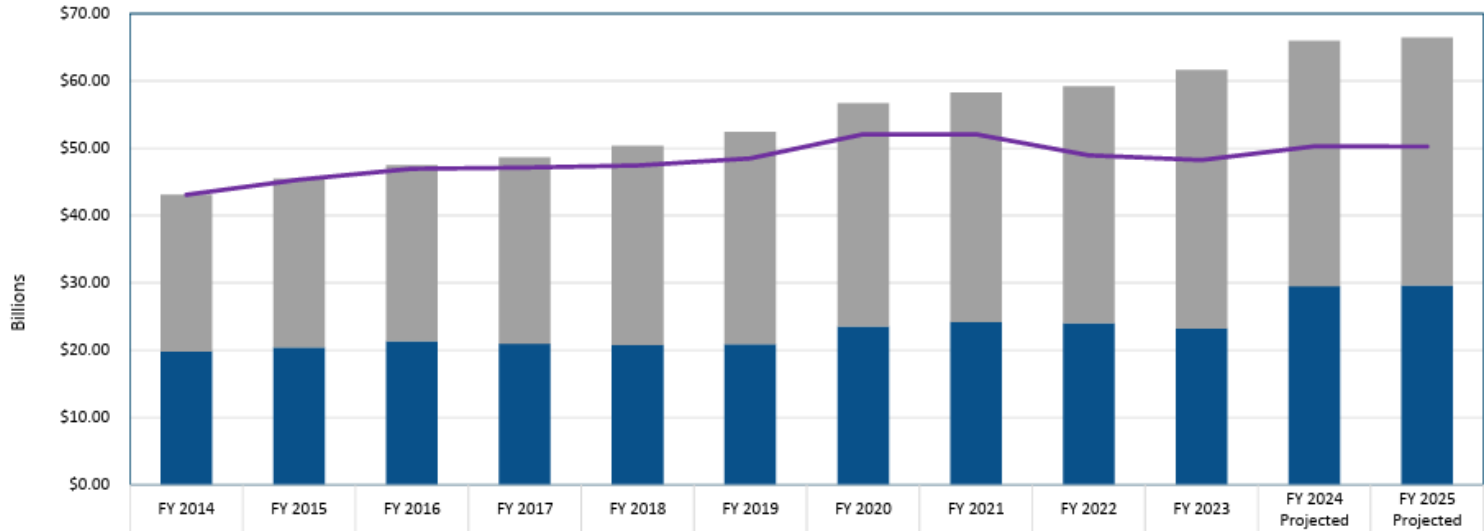


“

“The Foundation School Program (FSP) is the principal vehicle for distributing state aid to school districts... to provide educational services...”

LBB Fiscal Size-up Report

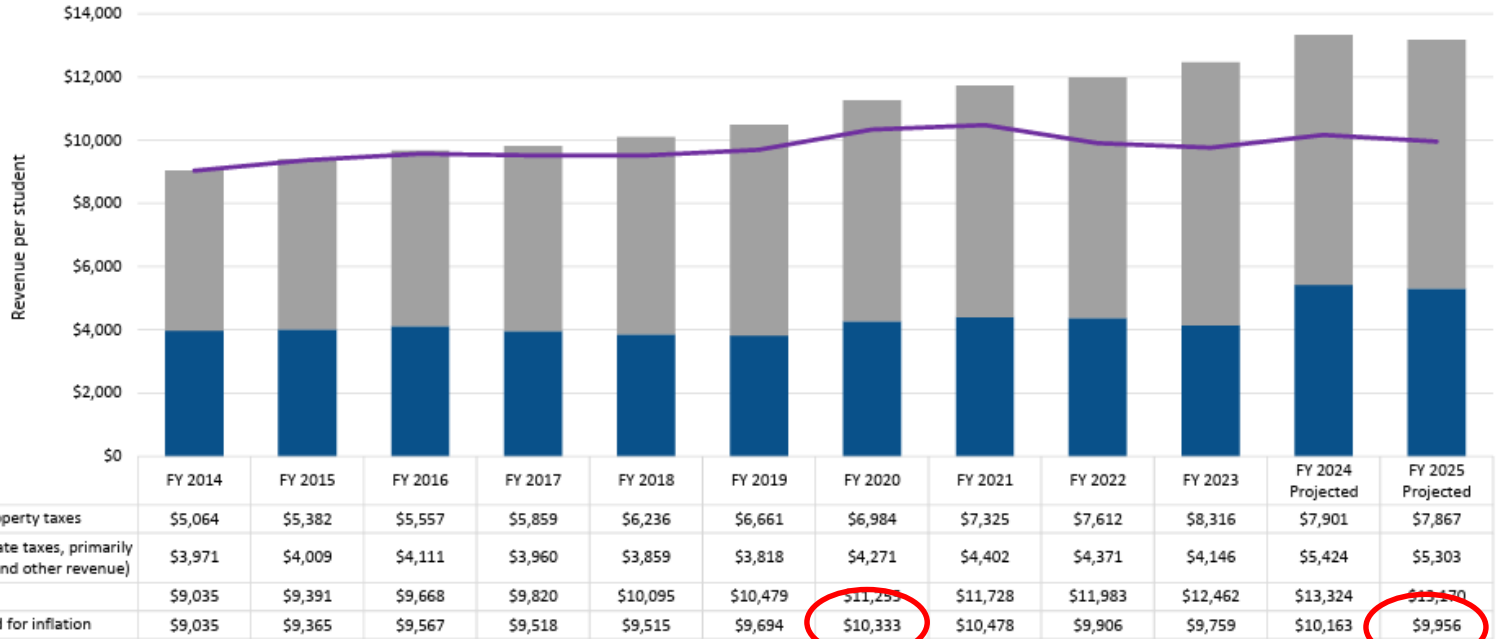
Annual state and local Foundation School Program (FSP) revenue (school districts and charter schools)



	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024 Projected	FY 2025 Projected
Local revenue (from local property taxes)	\$23.27	\$25.01	\$26.10	\$27.65	\$29.51	\$31.50	\$33.18	\$34.10	\$35.20	\$38.43	\$36.48	\$36.85
State revenue (from state taxes, primarily sales tax, other taxes and other revenue)	\$19.82	\$20.44	\$21.34	\$20.95	\$20.81	\$20.91	\$23.53	\$24.17	\$24.00	\$23.19	\$29.47	\$29.61
Total (local + state FSP revenue)	\$43.09	\$45.44	\$47.44	\$48.61	\$50.32	\$52.41	\$56.70	\$58.27	\$59.20	\$61.62	\$65.94	\$66.46
Total revenue adjusted for Texas CPI	\$43.09	\$45.32	\$46.94	\$47.12	\$47.43	\$48.49	\$52.05	\$52.06	\$48.94	\$48.25	\$50.30	\$50.24

-\$1.8B

Annual state and local FSP revenue per student in average daily attendance (districts only)



-\$377 per student



“
‘Historically’
Funded

“We have literally never spent more on K-12 public education than we are at this moment...”

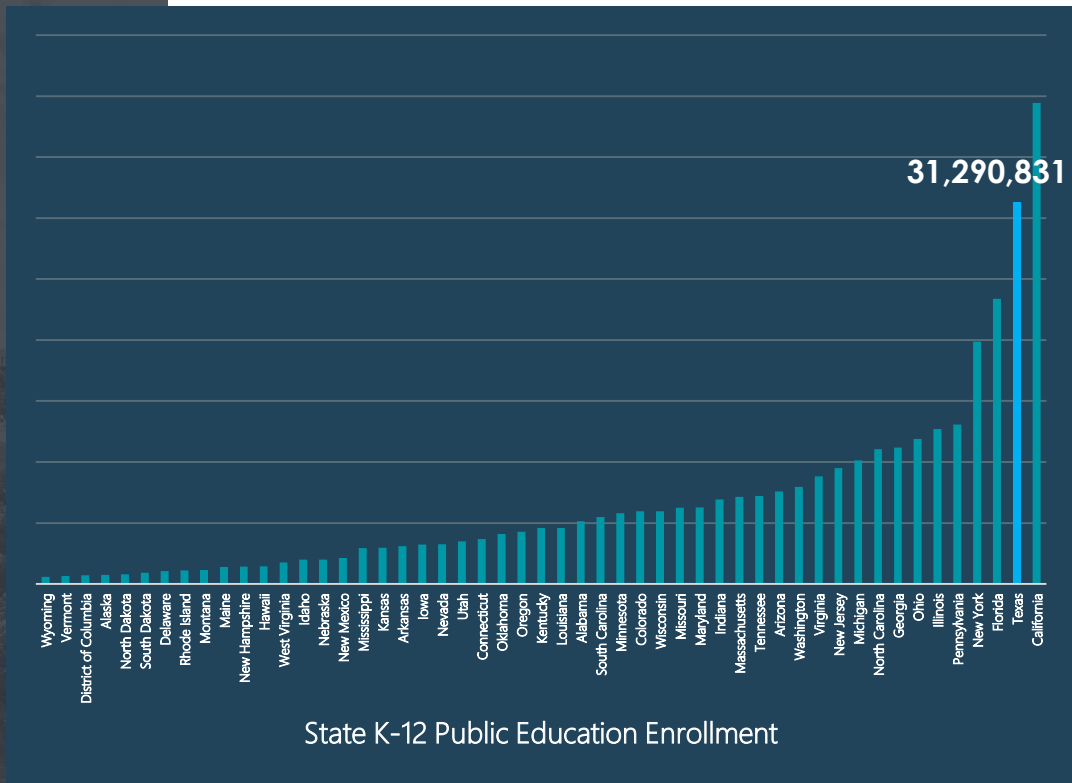
MISLEAD #5

Ignoring Size of State of Texas

The State of Texas has the second largest resident population in the nation, totaling approximately

31.3 Million

residents as of 2024 reported from the U.S. Census Bureau. The average state population is approximately 5.5 million residents. So Texas is nearly **x6 larger than the average state**. Wyoming has 587k residents. Texas has six individual cities larger than the entire state of Wyoming.



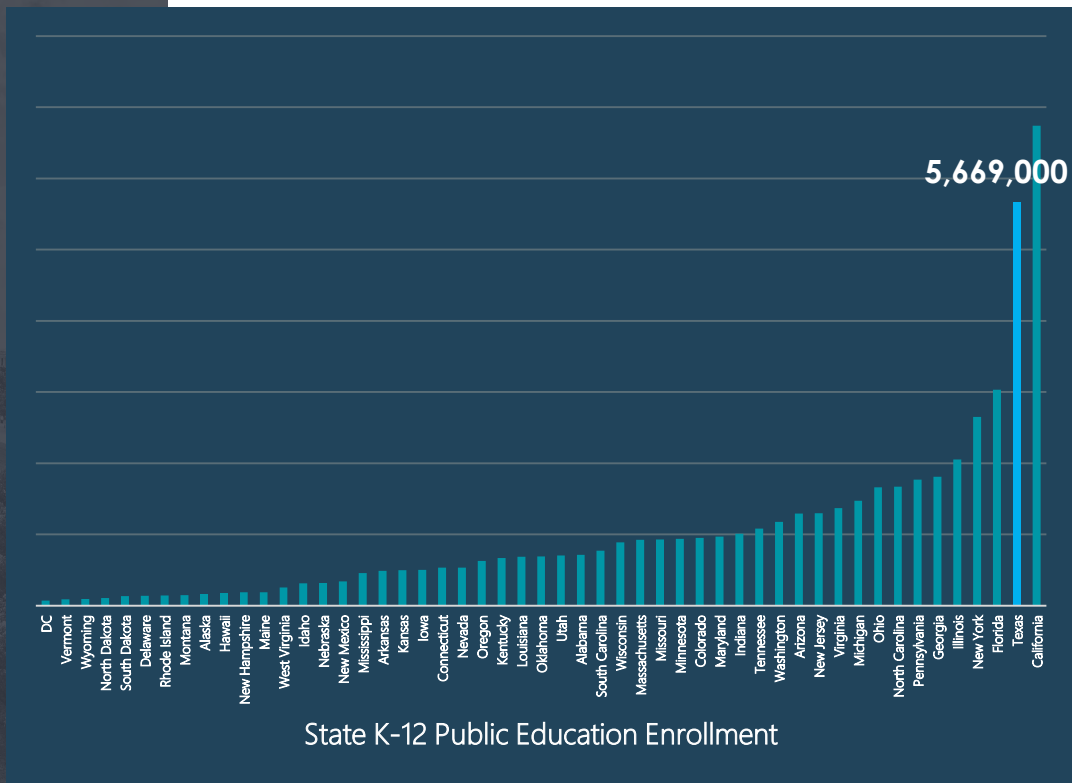
MISLEAD #6

Focusing on *Total* Funding

The State of Texas has the second largest K-12 public education enrollment in the nation, totaling approximately

5.6 Million

Students as of the Fall 2023 report from the National Center for Education Statistics. This is **x5.5 larger** than the average state enrollment which is close to one million students.

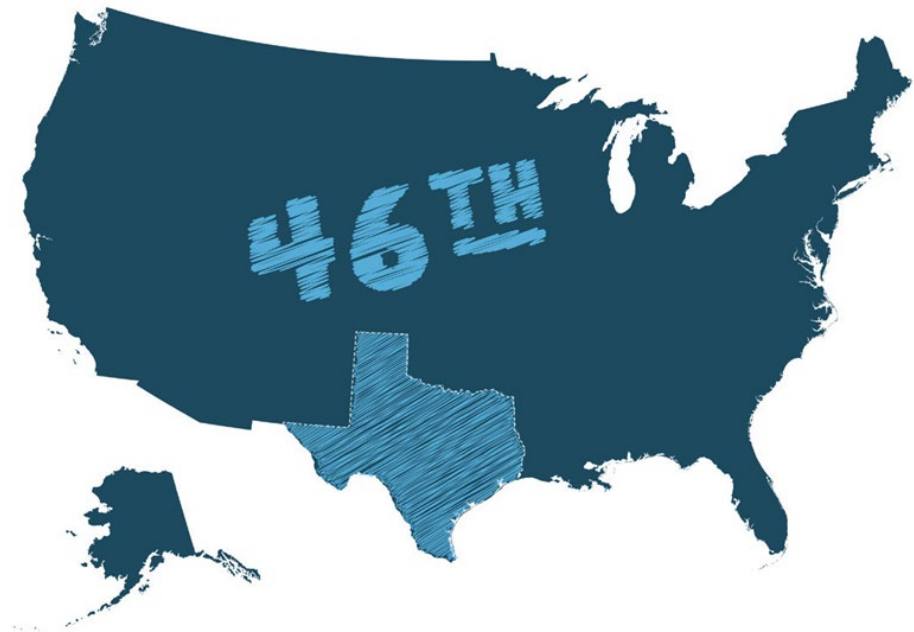


MISLEAD #6

Focusing on *Total* Funding

Texas continues to rank in the bottom 10 states nationally for state spending on education, trailing the national average by over \$4,400 per student according to the National Education Association 2024 Report. Currently, Texas ranks 46th in the nation for per student funding.

Texas Ranking: 2024 NEA State Rankings Report ¹



MISLEAD #7

Including Tax Relief

The State Legislature has provided approximately

\$18.0 Billion

in property tax relief since 2019, which is the last time the Basic Allotment was adjusted. This is 'counted' as "additional" funding for K-12 public education even though it does not increase funding for public schools.

HOUSE BILL 3 (2019)

7¢ reduction to M&O rate in Year 1 + automatic tax rate compression in subsequent years with value growth > 2.5%, subject to floor limitation

\$5.3B

SENATE BILL 2 (2023)

10¢ additional reduction to M&O rate + increasing mandatory homestead exemption to \$100,000 + 20% circuit breaker

\$12.7B



“

“Compression refers to using state funds to buy down tax rates... new funding the Legislature commits for this purpose will appear as an appropriation to the Foundation School Program...”

Increases the State Budget – Not the Public School Budget



\$51 B

Biennial Cost of Property Tax Relief

This represents the ongoing cost to the State to maintain previously approved and the passage of newly proposed tax relief

MISLEAD #8

Ignoring Growth

Texas public school average daily attendance has increased by nearly

173,000

students over the last 10 years. This includes a 3.3% decrease in 2022 totaling nearly 171,000 students average daily attendance.

FIGURE 160
TEXAS PUBLIC SCHOOL AVERAGE DAILY ATTENDANCE
FISCAL YEARS 2016 TO 2025

FISCAL YEAR	SCHOOL YEAR	TOTAL ADA	PERCENTAGE CHANGE
2016	2015–16	4,922,493	1.4%
2017	2016–17	4,972,376	1.0%
2018	2017–18	5,005,005	0.7%
2019	2018–19	5,020,341	0.3%
2020	2019–20	5,061,017	0.8%
2021	2020–21	5,140,653	1.6%
2022	2021–22	4,969,086	(3.3%)
2023	2022–23	4,981,161	0.2%
2024	2023–24	5,071,347	1.8%
2025	2024–25	5,095,452	0.5%

MISLEAD #9

Ignoring Enrollment v. ADA

Of all of the allotments provided to Texas public schools in the Foundation School Program, six of them are attendance-based. The total percentage of overall funding comprised by these six allotments is approximately

76.5%

Attendance-based allotment	Percentage of overall funding¹
Regular Program / Basic Allotment	56.4%
Early Education	1.6%
School Safety	0.1%
Career and Technology	6.7%
Special Education	10.2%
Bilingual Education	1.5%
Total Attendance-based allotment	76.5%

ROCKWALL ISD

Student Attendance rate
for the District in 2022-23

94.7%



“

Is Rockwall ISD Fully Funded ?

Misleads...

- #1 – Including “funding” not available for classroom instruction
- #2 – Ignoring the proportion of total funding provided by the State
- #3 – Including Recapture as additional “funding” for schools
- #4 – Ignoring the impact inflation has had on school funding
- #5 – Ignoring the size of the State of Texas when making comparisons
- #6 – Focusing only on *Total* Funding versus per student funding
- #7 – Including Property tax relief as additional “funding” for schools
- #8 – Ignoring the impact student growth has on overall funding
- #9 – Ignoring difference b/w funding on Enrollment vs. ADA

Summary

Other...

- Texas ranks 46th in the nation in funding per student
- For Rockwall ISD, actual total revenue per student is \$1,830 less than the state average
- Adjusted for inflation, the Basic Allotment has effectively decreased by \$1,390 per student since 2019
- Adjusted for inflation, the Legislative Budget Board estimates that K-12 funding has decreased by \$6.5 Billion dollars in last 10-years
- For Rockwall ISD, over the last 10-years the proportion of total funding provided by the State has fallen from 39% to 17%

Summary




EMERGENCY



**LEGISLATIVE
UPDATE**

ROCKWALL ISD

A grayscale photograph of a man with light-colored hair, wearing a dark suit, white shirt, and striped tie. He is speaking into a microphone and gesturing with his right hand. The background consists of several American flags. The image is semi-transparent, serving as a backdrop for the text.

Property Tax Relief

Legislative Emergency items

February 2, 2025

NEW TAX RELIEF

Both versions of the State budget bill includes appropriation earmarks for continued property tax relief. However, it is important to note due to a **miscalculation by the state**, a large portion of this has to be used to pay for existing tax relief totaling

\$4.0 Billion

HOUSE BILL 1 (2025)

Details yet to be determined –
requires legislation be enacted
– likely be continued tax rate
compression & homestead
exemption increase

\$6.5B

SENATE BILL 1 (2025)

Details yet to be determined –
requires legislation be enacted
– likely be continued tax rate
compression & homestead
exemption increase

\$6.0B



SB 4 & SJR 2

Increases the Homestead Exemption

From \$100,000 to \$140,000

Hold-harmless provisions, but not for bonds sold after 2023

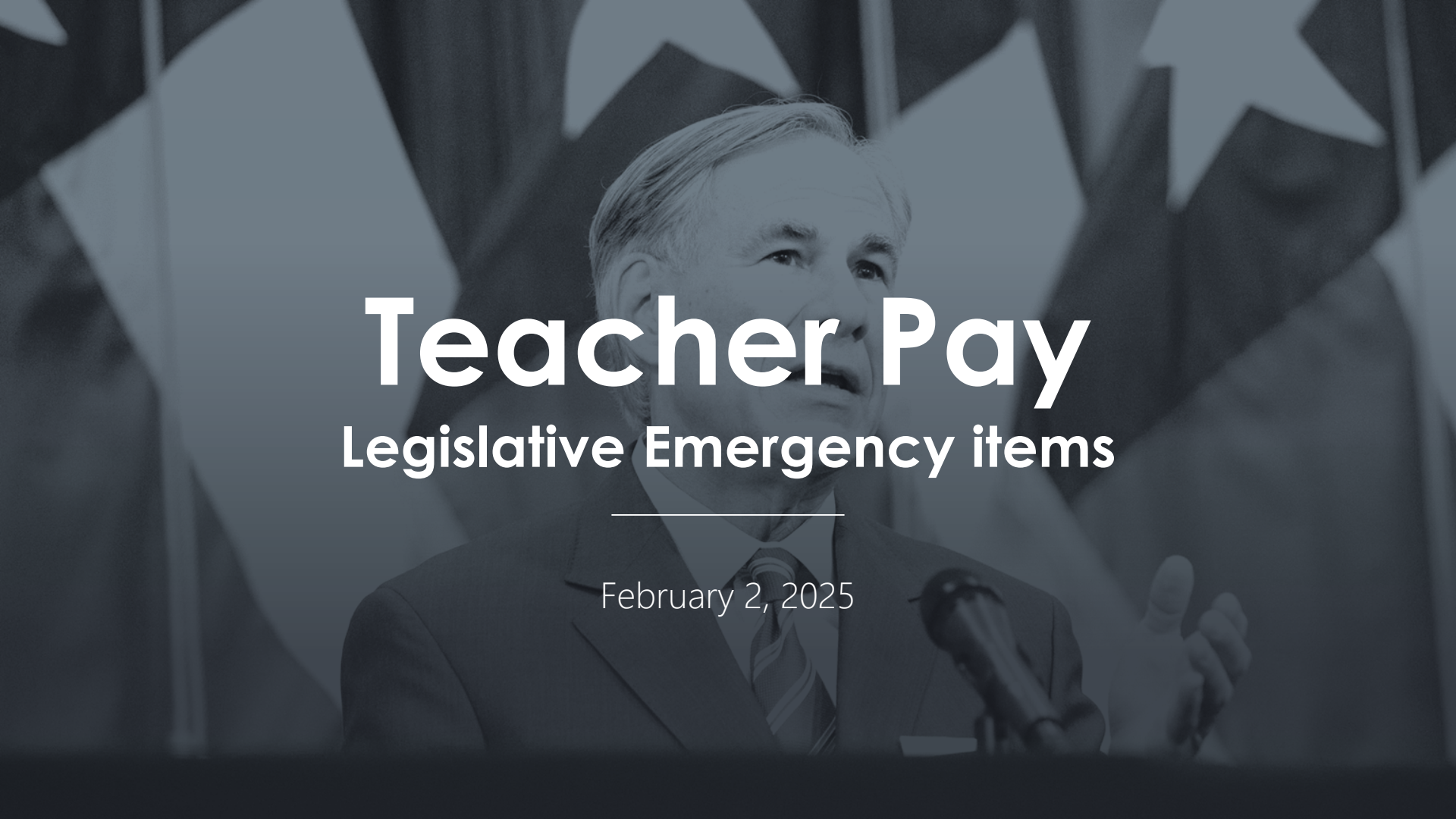
Impact to RISD?

Sold Bonds in 2023 (\$194m) and 2024 (\$82m)

Lost tax collections from homestead exemption increase =
\$3.4m

I&S tax collections yield per penny =
\$1.4M

**Required I&S tax rate increase to offset lost collections =
+2.38 cents**



Teacher Pay

Legislative Emergency items

February 2, 2025

TEACHER PAY INCREASES

There are currently **no** increases to the Basic Allotment in any Senate Bill. House Bill 2 proposes to increase the Basic Allotment by **\$220**. For context, to provide same buying as in 2019, the Basic Allotment would need to be increased by **\$1,495**. If the Basic Allotment was increased by this amount, it would be a minimum pay increase for **all** Teachers totaling approximately

\$5,500

HOUSE BILL 2 (2025)

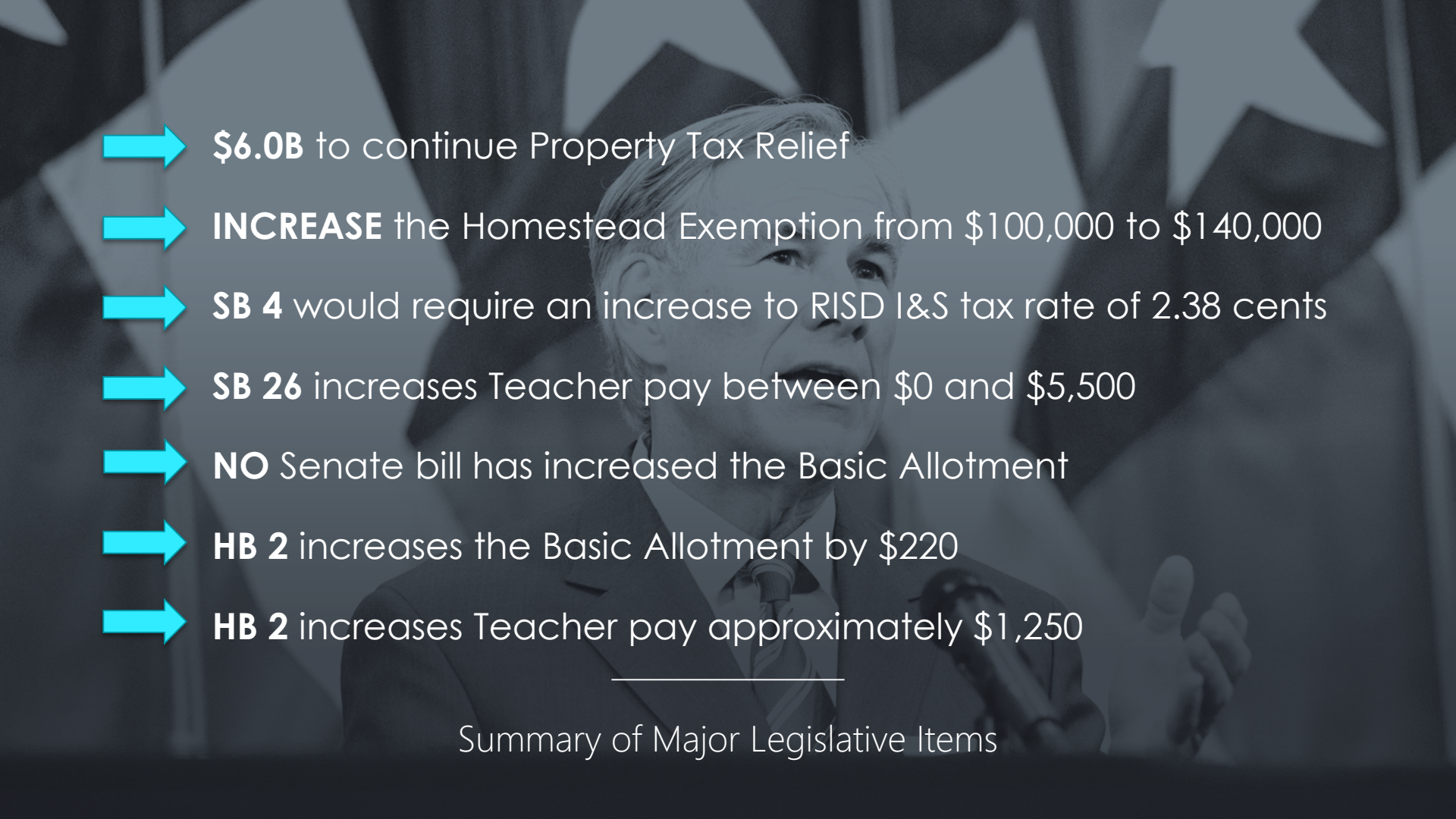
Increases the Basic Allotment by \$220 & min. requirement for teachers from 30% to 40%
Est. teacher increase of \$1,250

\$3.2B

SENATE BILL 26 (2025)

\$0-\$10,000 for Small ISDs
\$0-\$5,500 for Large ISDs
More \$ into TIA

\$4.3B

- 
- ➔ **\$6.0B** to continue Property Tax Relief
 - ➔ **INCREASE** the Homestead Exemption from \$100,000 to \$140,000
 - ➔ **SB 4** would require an increase to RISD I&S tax rate of 2.38 cents
 - ➔ **SB 26** increases Teacher pay between \$0 and \$5,500
 - ➔ **NO** Senate bill has increased the Basic Allotment
 - ➔ **HB 2** increases the Basic Allotment by \$220
 - ➔ **HB 2** increases Teacher pay approximately \$1,250

Summary of Major Legislative Items

A large group of graduates in black gowns and caps are celebrating at a graduation ceremony. They are throwing white and orange streamers into the air, creating a dense, festive atmosphere. The graduates are smiling and looking upwards, some with their hands raised. The background is filled with more graduates and a crowd of spectators.

PRELIMINARY BUDGET PROJECTIONS

BUDGET PROJECTION

Assuming no further district action, it is estimated that the FY2025-26 budget deficit will be approximately \$10.5M next year. This is primarily driven by opening Middle School #4, hiring new positions to meet student instructional needs, and continued inflation on operational expenditures.

Starting Point of FY 2024-25 Budget	(\$8,700,000)
Net Total Revenue Increase (Student Growth)	\$3,200,000
Staff Compensation – Waiting on Legislature	TBD
Staffing Increases – Middle School #4	(\$2,000,000)
Staffing Increases – Student Growth, SPED, Buses	(\$1,100,000)
Operation Budget Increases – Ins, Energy	(\$1,950,000)
Projected FY 2025-26 Budget Deficit	(\$10,550,000)

REDUCTION STRATEGIES

The primary goal of the reduction strategy plan is to reduce the budget responsibly. Identification of strategies is not the primary challenge, rather implementation of reductions without negatively impacting students and families is the primary objective.

Reduce Budget Responsibly

Develop multi-phased reduction strategy

Minimize and/or delay cuts to services to avoid negative impact to students

Minimize and/or delay cuts to personnel to avoid negative impact to students

REDUCTION STRATEGIES

During the development of Target Goals for Budget Reduction Strategies, the district will consider what is a realistic total that can be absorbed in a given fiscal year. Additionally, consideration will be given between balancing the reduction strategies between personnel and non-personnel reduction strategies.

TARGET GOALS

Targeting 3.5% of
Total Operating Expenditures
Year 1 Total - \$187.5M x 3.5%

\$6.5M

Personnel
Savings = 15%
\$975,000

Non-Personnel
Savings = 85%
\$5,525,000



Budget Reduction Strategies

Three-Year Budget Action Plan

NOW: Phase 1



2024 - 2025

Identify local budget efficiencies to reduce operating costs and increase revenue



**89th
Legislative
Session**

Phase 2



2025 - 2026

Local opportunity to generate revenue via a VATRE

Phase 3



2026-2027

If VATRE not approved, implement additional budget reductions to reduce operating costs



**90th
Legislative
Session**

Phase 1: 2024-2025



Identify Local Budget Efficiencies



89th
Legislative
Session

Revenue Generation & Resource Adjustments

Fees & Rentals

Explore increasing fees charged for after-school care, gate receipts, & facility rentals

Meal Prices

Explore increasing meal prices to be comparable with peer districts & market average

Grant Funds

Explore one-time adjustments of utilization of grant funds to shift operational costs

Fund Balance

Utilize the district's fund reserves to address short-term financial needs

Cost Reductions

Operating Costs

Hiring freeze & increasing class sizes, renegotiating district contracts, consolidate usage of facilities in summer

Capital Projects Delay

Delay planned capital projects and repurpose available funds to cover operating cost increases

Custodial Schedules

Explore adjusting custodial cleaning scope & schedules to reduce overall operating costs

Transportation

Explore reducing transportation shuttles to reduce overall costs

Phase 1: 2024-2025



89th
Legislative
Session



Identify Local Budget Efficiencies

Revenue Generation & Resource Adjustments

Fees & Rentals

Explore increasing fees charged for after-school care, gate receipts, & facility rentals

Meal Prices

Explore increasing meal prices to be comparable with peer districts & market average

Grant Funds

Explore one-time adjustments of utilization of grant funds to shift operational costs

Fund Balance

Utilize the district's fund reserves to address short-term financial needs



Shift expenditures to grant funds (<i>one-time</i>)	\$1,160,000
Meal price adjustments	\$720,000
ROCK after school fees	\$230,000
Facility rental fees	\$200,000
Total Revenue Generation & Resource Adjustments	\$2,310,000

Phase 1: 2024-2025



Identify Local Budget Efficiencies



89th
Legislative
Session

Cost Reductions



Operating

Hiring freeze
Contracting
Class
sizes, renegotiating district
contracts, consolidate usage of
facilities in summer

Renegotiate district contracts	\$240,000
Consolidate usage of facilities in summer	\$50,000
Delay capital projects in child nutrition department	\$650,000
Adjust daily custodial scope & schedule	\$718,000
Reduce transportation shuttles (math, pre-k, etc.)	\$250,000
Cost Reductions	\$1,908,000

Capital Projects Delay

and repurpose available funds
to cover operating cost
increases

Custodial Schedules

Explore adjusting custodial
cleaning scope & schedules to
reduce overall operating costs

Transportation

Explore reducing
transportation shuttles to
reduce overall costs

Budget Reduction Strategies

Three-Year Budget Action Plan

NOW:
Phase 1



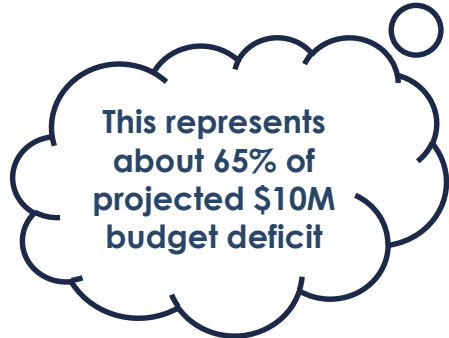
2024 - 2025

Identify local budget efficiencies to reduce operating costs and increase revenue

TARGET GOALS

Targeting 3.5% of
Total Operating Expenditures
Phase 1 = \$187.5M x 3.5%

\$6.5M

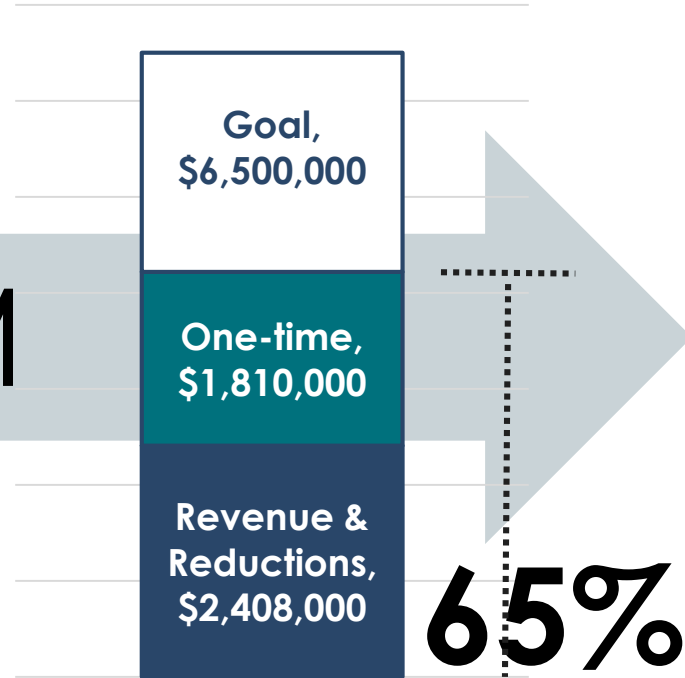


**Goal,
\$6,500,000**

**One-time,
\$1,810,000**

**Revenue &
Reductions,
\$2,408,000**

65%



Phase 2: 2025-2026



Voter Approved Tax Rate Election

Revenue Generation & Resource Adjustments

VATRE

Propose a voter-approved tax rate election to increase teacher pay & school safety

Cost Reductions

Personnel Costs

Implement hiring freeze & increasing class sizes

Operating Costs

Explore adjusting energy management system set points to reduce energy consumption

Safety & Security

Explore converting School Resource Officers (SROs) to Armed Security Officers (ASOs)

Student Displacement

Begin researching possible student displacement process and procedures for implementation in 2026-2027



Note: These are options that are subject to change, and will only be implemented if VATRE not approved.

Phase 3: 2026-2027



Budget Reductions



90th
Legislative
Session

Revenue Generation & Resource Adjustments

Fees

Explore charging district fees for transportation, fine arts, CTE, & athletics participation

Cost Reductions



Note: These are options that are subject to change, and will only be implemented if VATRE not approved.

Student Displacement

Displace students from overcrowded home campus to campuses with available capacity – NO transportation

Personnel Costs

Continue Year 2 hiring freeze & increasing class sizes, consider reduction in force (RIF) of identified district positions

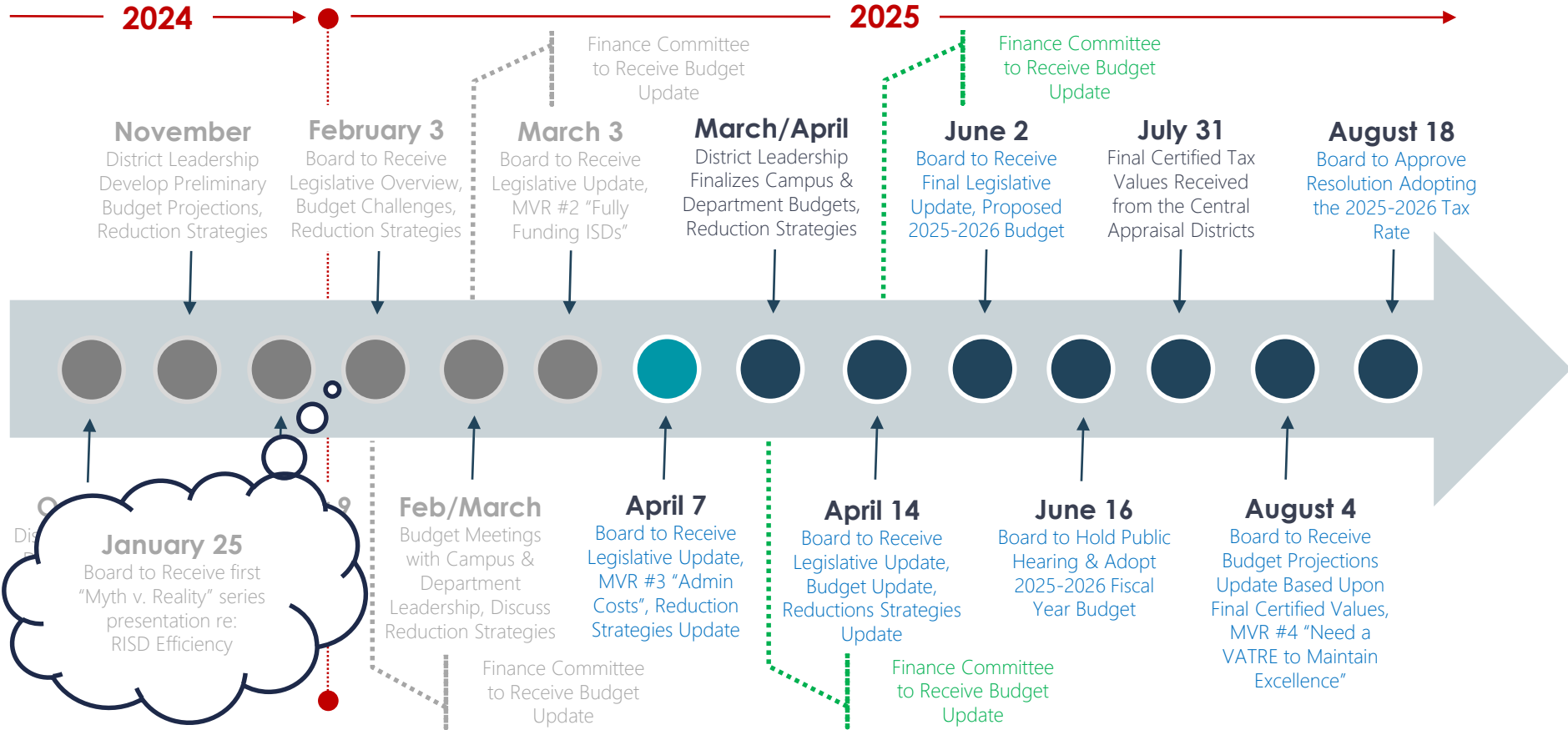
Operating Costs

Explore eliminating free ROCK care for staff & reducing district health insurance contribution for staff

Student Programs

Explore reducing and/or eliminating student CTE, fine arts, and athletic programs to reduce operating costs

FY 2025-2026 Budget Process



Myth v. Reality Series...

- Debunking the Myth that Rockwall ISD is Not Efficient
- Debunking the Myth that Public Schools are and have been Fully Funded
- Debunking the Myth that Rockwall ISD Spends Too Much on Admin

Legislative Session...

- \$23.76 Billion surplus estimated for next session
- SB 4 & SJR 2 passed out of Senate – increases homestead exemption
- SB 2 passed out of Senate – creates Education Savings Accounts Program
- SB 26 passed out of Senate – increases Teacher pay \$0 to \$5,500 for RISD
- No Senate Bill has increased the Basic Allotment
- HB 2 in committee – increases Basic allotment by \$220

Summary

Legislative Priorities...

- Fully fund schools by increasing the Basic Allotment to \$7,655
- Create inflation index for Basic Allotment
- Fully fund special education services
- Fully fund safety & security requirements

Budget...

- Challenges remain – inflation, teacher pay, growth, unfunded mandates
- Fund Balance is sufficient – for now...
- Projecting \$10.5 million deficit for FY2025-2026
- Continuing to evaluate budget reduction strategies

Summary

THANK YOU

