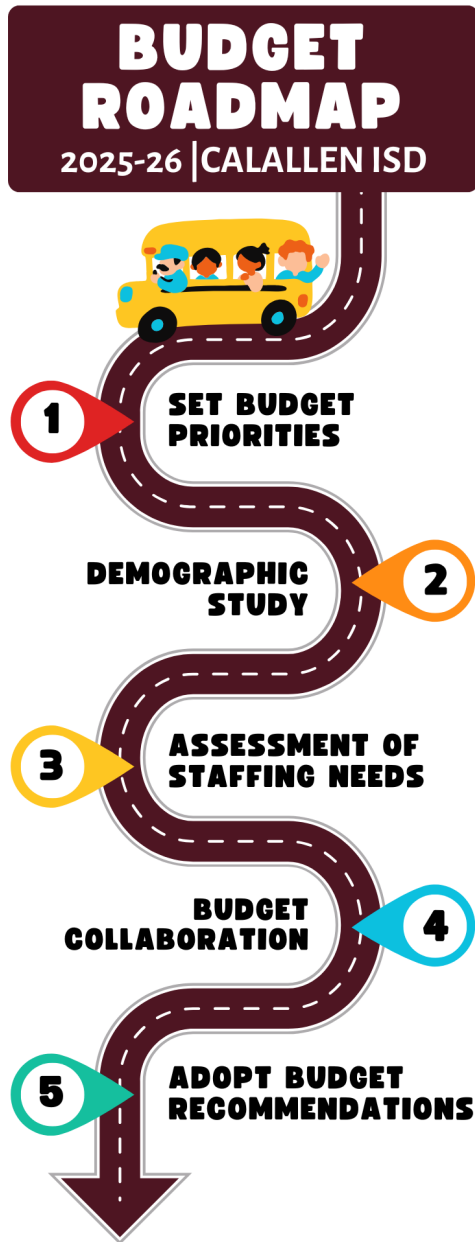




2025-26 BUDGET PRESENTATION #4

Budget, Finance, and Compensation Discussions

Calallen ISD | July 23, 2025



ALL ABOARD!



WHERE ARE WE HEADED?....



BUDGET ROADMAP

2025-26 | CALALLEN ISD



1

SET BUDGET PRIORITIES

DEMOGRAPHIC STUDY

2

3

ASSESSMENT OF STAFFING NEEDS

BUDGET COLLABORATION

4

5

ADOPT BUDGET RECOMMENDATIONS

BUDGET BUS STOPS



Set Budget Priorities

- Administration, Principals, & Directors – January 31, 2025
- Board Workshop – February 3, 2025



Demographic Study

- Board Meeting – March 3, 2025



Assessment of Staffing Needs

- Administration, Principals, & Directors – March - June 2025



Budget Collaboration

- Ongoing Meetings in Spring 2025
- Board Meetings – Summer 2025



Adopt Budget Recommendations

- Compensation- Special Board Meeting – July 23, 2025
- Budget/Tax Rate - Special Board Meeting – August 25, 2025



BUDGET CALENDAR

BUDGET ROADMAP 2025-26 | CALALLEN ISD

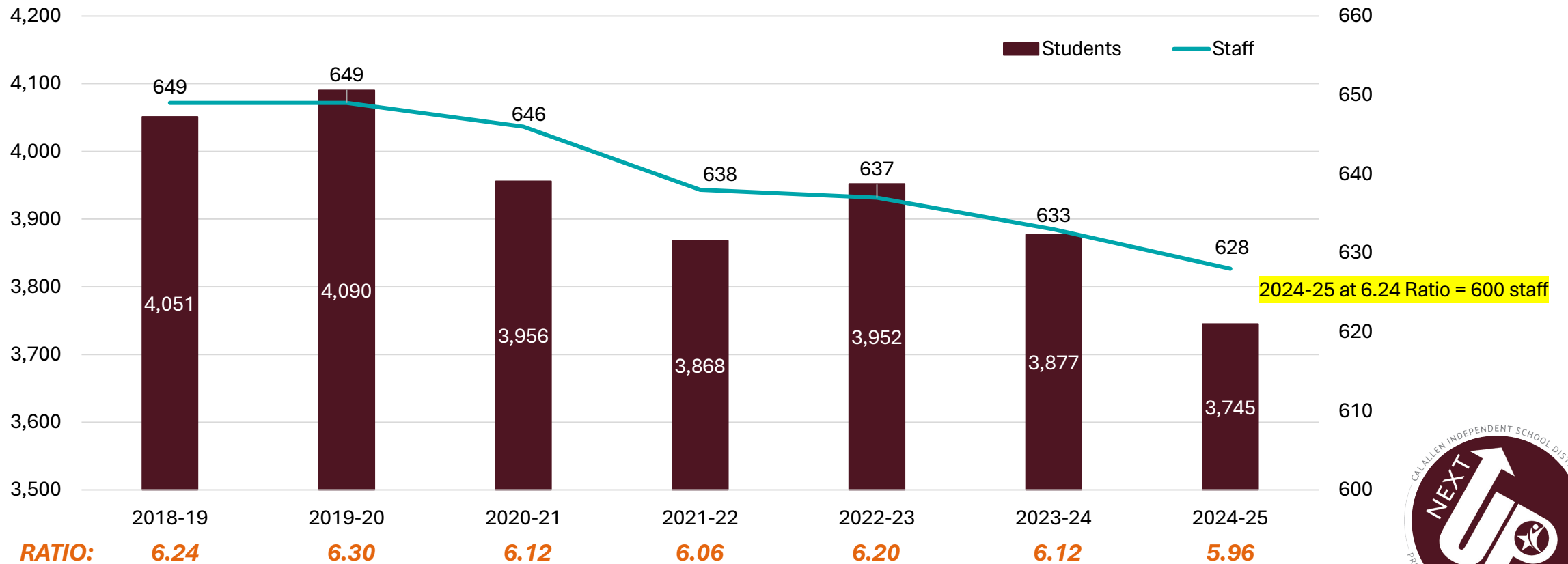


CALALLEN ISD BUDGET CALENDAR FISCAL YEAR 2025-2026 <i>Tax Year 2025 and Fiscal Year 2026</i>				
Budget Roadmap	Timeframe	Board Meeting Dates	Action Needed	Responsible Parties
Budget Stop #1	Early 2025	February 3, 2025 Special Meeting	<i>Budget Presentation #1</i> Mid-Year Review of 2024-2025 Budgets Planning for 2025-2026 Budgets Set Budget Priorities	Supt/Asst Supt Board of Trustees
Budget Stop #2	March	March 3, 2025 Regular Meeting	<i>Budget Presentation #2</i> Receive Demographic Study Results	Supt/Asst Supt
Budget Stop #3	March - June		Assessment of Staffing Needs	Supt/Asst Supt Director of HR Principals and Directors
	June	June 9, 2025 Regular Meeting	<i>Budget Presentation #3</i> Review Assessment of Staffing Needs	Supt/Asst Supt Board of Trustees
Budget Stop #4	April 30th		2025 <u>Estimated</u> Tax Values to CISD	Appraisal District
	May - June		Review of 2024-2025 Budgets & Estimate Actuals Release 2025-2026 Budgets to Campuses & Departments Submission of 2025-2026 Budgets & Budget Requests	Supt/Asst Supt Principals and Directors
	July	July 14, 2025 Regular Meeting	89th Legislative Session Update	Supt/Asst Supt Board of Trustees
	July	July 23, 2025 Special Meeting	<i>Budget Presentation #4</i> Adopt Compensation Plan & Raises for 2025-2026	Supt/Asst Supt Board of Trustees
	July 25th		2025 <u>Certified</u> Tax Values to CISD	Appraisal District
	Early August		Tax Value Data Collection Due to TEA TEA Issues Tier 1 Tax Rate for the District	Assistant Superintendent TEA
	Early August	August 11, 2025 Regular Meeting	<i>Budget Presentation #5</i> Presentation of Notice to Set Tax Rate and Preliminary Budget *Board may adopt a tax rate lower than what is published	Supt/Asst Supt
	Mid August	August 14, 2025	Notice of Hearing to Set the Tax Rate and Adopt the Budget PUBLISHED in Corpus Christi Caller Times *Must be published 10-30 days before hearing, 2025-2026 deadline August 15, 2025	Assistant Superintendent
Budget Stop #5	Late August	August 25, 2025 Special Meeting	<i>Budget Presentation #6</i> Conduct Hearing to Set the Tax Rate and Adopt the Budget Final Budget Amendments for 2024-2025 Set Tax Rate for Tax Year 2025 Adopt Budgets for 2025-2026	Supt/Asst Supt Board of Trustees



2025-26 AND BEYOND

Financial Well Being Report - Student vs. Staff Counts



2025-26 BUDGET PRIORITIES

- Administration, Principals, Directors, & the Board collectively identified and adopted the following **DISTRICT BUDGET PRIORITIES**:

1.1 Academic Growth and Achievement

- Analyze the academic return on investment

1.3 Student participation in activities, clubs to build well-rounded citizens

- Maintain current extra-curricular offerings to support student attendance & enrollment

2.3 Competitive Compensation for Faculty and Staff

- Retention of high quality, effective staff

4.1 Strong Financial Stewardship

- Preserve the fund balance and long-term financial wellbeing



2025-26 STAFFING REDUCTIONS

CAMPUS	POSITION	FTEs REDUCED	24-25 SALARY BUDGET	24-25 BENEFIT BUDGET	24-25 TOTAL BUDGET
Central Admin	Central Admin	0.5	\$32,021	\$6,212	\$38,234
Secondary	Teacher	9.5	\$527,825	\$68,490	\$596,315
Secondary	Other	0.5	\$22,602	\$5,718	\$28,320
Elementary/Inter	Teacher	11.0	\$640,783	\$88,013	\$728,796
Elementary/Inter	Other	2.0	\$42,761	\$11,307	\$54,068
Grand Totals		22.5	\$1,265,994	\$179,740	\$1,445,733

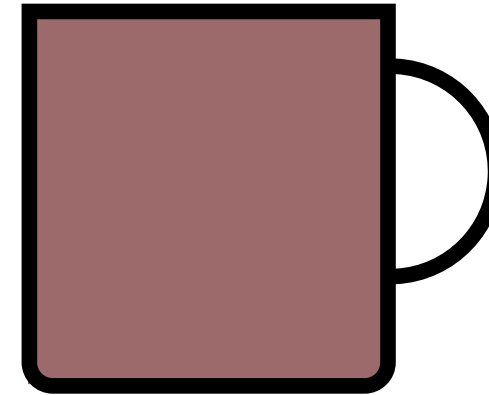


SUMMARY OF BUDGET DEFICIT

CATEGORY	AMOUNT
2024-25 Deficit	(\$4,800,000)
30 Position Reduction	\$1,265,000
Subtotal	(\$3,535,000)
HB2 New Funding*	\$2,000,000
Subtotal	(\$1,535,000)

2025-26 ADOPTED BUDGET

Balanced



HOW DO WE GET THERE?

**Based on TASBO calculations, subject to change as District Administration calculates utilizing actual District Data*

**Considerations for the HB2 New Funding include 15% payroll benefits for mandated raises and cost of raises for all other employees*



BUDGET FACTORS

FACTORS WE CAN CONTROL

- Staffing Levels
- Compensation Levels
- Campus & Department Budgets
- Property Tax Rates & Bonds
- Special Allotments & Grants

FACTORS WE CANNOT CONTROL

- Enrollment & Attendance
- School Funding & Legislative Session
- Inflation
- Insurance Premiums
- Property Tax Values



FUND BALANCE CONSIDERATIONS

- Per TEA Recommendations **& CISD Policy**, the District must maintain a minimum fund balance of 3 month's operating expenses, or **\$11,770,000**
- 2024-2025 projected ending fund balance: **\$15,738,622**
 - \$4 million assigned for Property Insurance Deductibles
 - \$11.74 million unassigned
- Reasons to continue to maintain a healthy fund balance:
 - Cash flow
 - Hurricane or other disaster, named storm insurance deductible is 3% per occurrence, per location/\$500K Minimum
 - Single large taxpayer, represents 18% of our tax base, or a \$2.5 million risk
 - Future Legislative session impacts, HB2 mandated raises, & HB3 impact of fixed income diet



BUDGET STOP 4

BUDGET ROADMAP 2025-26 | CALALLEN ISD



**BUDGET
COLLABORATION**

4



COMPENSATION DISCUSSION

Review Salary & Benefits Options for Fiscal Year 2025-26



2025-26 COMPENSATION PRIORITIES

1. Required Teacher Raises
 - Mandated in HB2 through the Teacher Retention Allotment
 - \$4,000 for Teachers with 3-4 years experience
 - \$8,000 for Teachers with 5+ years experience
2. Adoption of TASB Salary Study Recommendations
 - Adjust Min, Midpoint, Max to Market
 - Maintain Educator Career Pathway
 - Equity Adjustments
3. Compensation Increases for All Other Positions
 - Teachers with 0-2 years experience
 - % of New Midpoint for All Positions
 - Compliance with HB2 Support Staff Retention Allotment: Non-Admin Other Position Raises



2024-25 TASB SALARY STUDY

SALARY AND BENEFITS – TASB MODEL 3

Fiscal Year	% Increase	187 Day Teacher Increase	Starting Teacher Salary	Other Employee Increase	Other
2020-21	1.5%	\$800 +Additional adj steps 2-20	\$48,750	1.5% of midpoint	\$500 Dec retention stipend
2021-22	3.0%	\$1,658	\$50,000	3.0% of midpoint	\$500 Dec retention stipend
2022-23	Avg. of 4.8%	\$2,750 Avg.	\$51,000	2.0% of midpoint	\$1,000 Dec retention stipend
2023-24	1.5%	\$880	\$51,500	1.5% of midpoint	N/A
2024-25	1.5%	\$885	\$52,500	1.5% Of new midpoint	N/A

• Summary

- Adopt TASB Pay Plan recommendations
- TASB Equity Adjustments
- Cost to the District : \$725,000
- No increase to District Contribution to Health Insurance Premiums - \$375/month
- 10% Budget Cuts

CALALLEN ISD



PROPOSED COMPENSATION PLAN

- **TEACHER SCALE**

- Increase Starting Teacher Salary from \$52,000 to **\$54,385**
 - Teachers 1-2 Years Experience: **\$3,000 Raise**
 - Teachers 3-4 Years Experience: **\$4,000 Raise**
 - Teachers 5+ Years Experience: **\$8,000 Raise**
-
- Positions paid on the Teacher Scale (*no changes from 2024-25*):
 - All Teachers
 - Reading & Math Interventionists
 - Librarians



PROPOSED COMPENSATION PLAN

- **ADMINISTRATIVE PROFESSIONAL, CLERICAL PARAPROFESSIONAL, & AUXILIARY PAY PLANS**
- Adopt TASB Pay Plan Recommendations
 - Adjust Minimum, Midpoint, and Maximum for all 3 Pay Plans
- All Positions Receive **2.5% Raise** – calculated based on new midpoints
- Provide TASB Recommended Equity Adjustments
 - Raise salaries to at least 1% above new minimum pay rates
 - Adjustments for educator career pathway to ensure daily rate equity
 - Strategic adjustments for employees who fall below 92.5% on the new pay plans



COMPENSATION SUMMARY

	Raises	General Pay Increase (GPI)	Equity Adjustments	Benefits Increase	Total Compensation Increase
Teacher	\$3k, \$4k, \$8k	\$1,990,000	-	\$245,000	\$2,235,000
Administrative Professional	2.5% of Midpoint	\$140,000	\$76,000	\$9,000	\$225,000
Clerical Paraprofessional	2.5% of Midpoint	\$113,000	\$2,000	\$5,000	\$120,000
Auxiliary	2.5% of Midpoint	\$90,000	\$40,000	\$5,000	\$135,000
Total		\$2,332,000	\$116,000	\$264,000	*\$2,715,000

*HB2 Teacher Retention Allotment & Staff Retention Allotment = \$2,045,000

*Net Compensation Increase = **\$670,000**



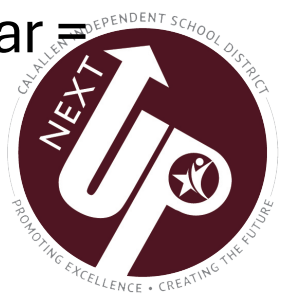
SALARY & BENEFITS HISTORY

Fiscal Year	% Increase	Starting Teacher Salary	187 Day Teacher Increase	Other Employee Increase	Other	Health Insurance Contribution
2019-20 (HB3)	3.4%	\$48,570	\$1,450	\$0.75 <i>Per Hour</i>	-	\$375 <i>Per month</i>
2020-21	1.5%	\$48,750	\$800 <i>+Additional adjustment for steps 2-20</i>	1.5% <i>of midpoint</i>	\$500 <i>December retention stipend</i>	\$375 <i>Per month</i>
2021-22	3.0%	\$50,000	\$1,658	3.0% <i>of midpoint</i>	\$500 <i>December retention stipend</i>	\$375 <i>Per month</i>
2022-23	Avg. of 4.8%	\$51,000	\$2,750 Avg.	2.0% <i>of midpoint</i>	\$1,000 <i>December retention stipend</i>	\$375 <i>Per month</i>
2023-24	1.5%	\$51,500	\$880	1.5% <i>of midpoint</i>	-	\$375 <i>Per month</i>
2024-25	1.5%	\$52,000	\$885	1.5% <i>of midpoint</i>	-	\$375 <i>Per month</i>
2025-25	Avg. of 12.5%	\$54,385	\$3k/\$4k/\$8k	2.5% <i>of midpoint</i>	-	\$375 <i>Per month</i>



DISTRICT HEALTH INSURANCE CONTRIBUTIONS

- Curative Insurance – No Increase in Premiums for 2025-2026
- 60% of District employees enroll in health insurance
- Estimated District Contribution Increase:
 - Currently budget 70% at \$375 per month = **\$1,870,000**
 - \$25 increments: 600 employees x \$300 per year = \$180,000 per year
 - “Full Coverage” at \$522.34 per month: 600 employees x \$6,268.08 per year = **\$3,760,848**



BUDGET & FINANCE UPDATE

2024-25 Fiscal Year End Projections & 2025-26 Preliminary Budget Discussion



REVENUE CONSIDERATIONS

2024-25 BUDGET

- No Legislative Investment in School Funding
- Chapter 313 Revenue **-\$800,000**

2025-26 BUDGET

- 89th Legislative Session – House Bill 2 Funding Increases **+\$3.75M**



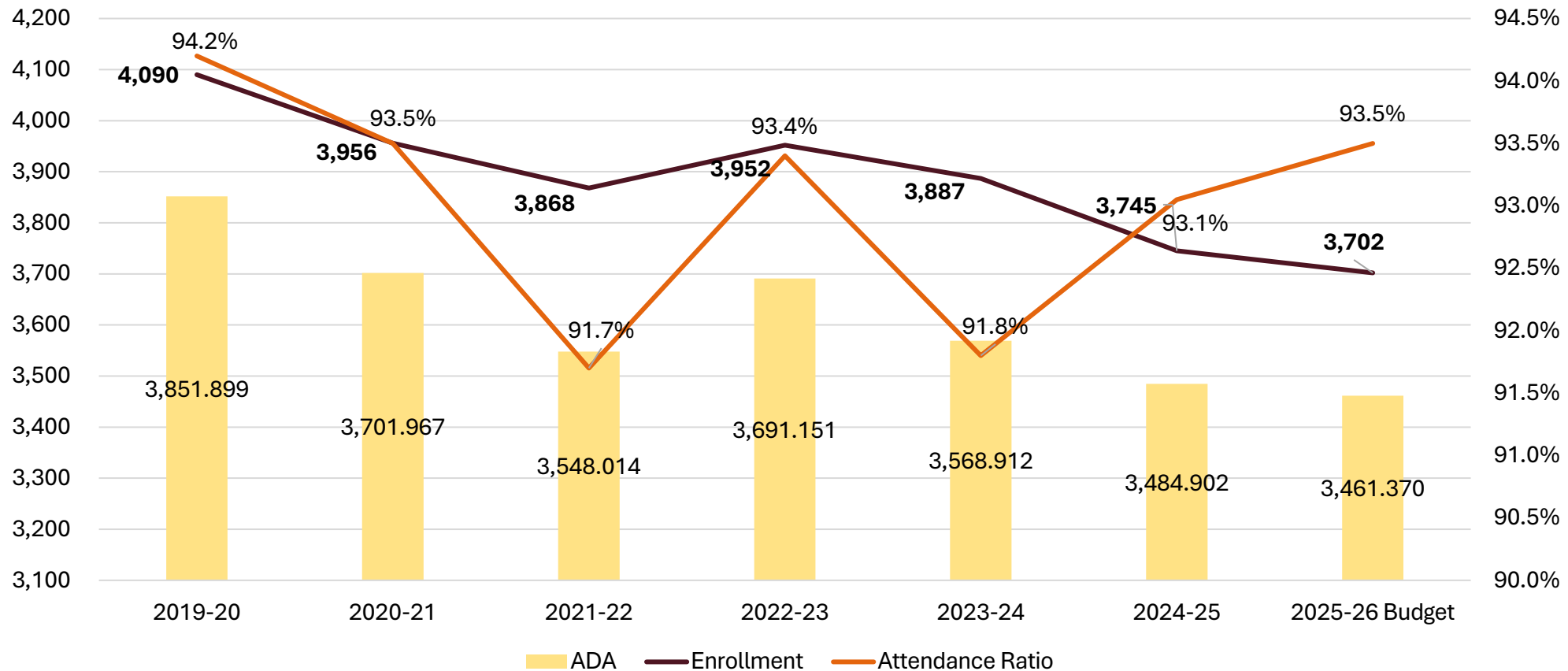
ADA & ENROLLMENT HISTORY

Fiscal Year	Enrollment – October Snapshot	Final ADA	ADA Attendance Ratio
2019-20	4,090	3,851.899	94.2%
2020-21	3,956	3,701.967 3,852.814 HH	93.6%
2021-22	3,868	3,548.014 3,648.044 HH	91.7%
2022-23	3,952	3,690.834	93.4%
2023-24	3,887	3,568.912	91.8%
2024-25	3,745	3,484.905	93.05%
2025-26 Budget*	3,702	3,461.370	93.5%

* Using PASA demographic study projected enrollment



ADA, ATTENDANCE, & ENROLLMENT



GENERAL FUND – REVENUE

	2021-22 Audit Final	2022-23 Audit Final	2023-24 Audit Final	2024-25 Final Est.	2025-26 Budget Est.
Property Taxes	\$18,630,512	\$19,297,546	\$14,922,156	\$20,295,000	\$18,575,000
Other Local	\$421,949	\$1,583,151	\$1,476,140	\$1,241,000	\$1,300,000
State Revenue	\$18,211,661	\$18,234,020	\$21,906,720	\$17,650,000	\$22,940,000
TRS On-Behalf	\$2,158,605	\$2,363,761	\$2,420,011	\$2,500,000	\$2,456,604
Federal Revenue	\$446,549	\$492,781	\$417,062	\$390,000	\$300,000
Subtotal	\$39,855,101	\$41,971,258	\$41,142,089	\$42,076,000	\$45,571,604
CH 313s	\$2,779,118	\$2,060,227	\$1,539,340	\$707,879	\$700,000
Other	\$0	\$0	\$476,322	\$0	\$0
Total	\$42,649,393	\$44,031,485	\$43,157,752	\$42,783,879	\$46,271,604

Previous projection
\$41,334,500



EXPENSE CONSIDERATIONS

2024-25 BUDGET

- TSHBP Additional Contributions
+\$390,000
- Property Insurance Premiums -15%
or -\$385,000
- -7% Campus & Department Budget
Cuts

2025-26 BUDGET

- 22.5 Position Reductions -\$1.265M
- -2.5% Campus & Department
Budget Cuts



GENERAL FUND – EXPENSES

	2021-22 Audit Final	2022-23 Audit Final	2023-24 Audit Final	2024-25 Final Est.	2025-26 Budget Est.
Payroll	\$33,016,629	\$35,546,708	\$36,124,569	\$37,020,000	\$37,820,000
Non-Payroll	\$8,364,449	\$10,827,171	\$9,218,505	\$8,675,000	\$9,260,000
Subtotal	\$41,387,078	\$46,373,879	\$45,343,073	\$45,695,000	\$47,080,000
Transfers Out	\$329,756	\$696,319	\$101,401	\$0	\$0
Recapture	\$0	\$0	\$0	\$100,000	\$0
Total Expenses	\$41,710,833	\$47,070,198	\$45,444,474	\$45,795,000	\$47,080,000

Previous projection
\$46,136,214



GENERAL FUND – FUND BALANCE

	2021-22 Audit Final	2022-23 Audit Final	2023-24 Audit Final	2024-25 Final Est.	2025-26 Budget Est.
Total Revenue	\$42,648,397	\$44,031,485	\$43,157,752	\$42,783,879	\$46,271,604
Total Expenses	(\$41,710,834)	(\$47,070,198)	(\$45,444,474)	(\$45,795,000)	(\$47,080,000)
Net Roll/Loss	\$937,560	(\$3,038,713)	(\$2,286,722)	(\$3,011,121)	(\$808,396)
<i>Beg Fund Balance</i>	\$23,137,618	\$24,075,178	\$21,036,465	\$18,749,743	\$15,738,622
End Fund Balance	\$24,0175,178	\$21,036,465	\$18,749,743	\$15,738,622	\$14,930,226

Previous projections

(\$4,801,714)

\$13,948,029



GENERAL FUND – 5 YEAR PROJECTIONS

	2024-25 Final Est.	2025-26 Budget Est.	2026-27 Estimates	2027-28 Estimates	2028-29 Estimates
Total Revenue	\$42,783,879	\$46,271,604	\$45,979,736	\$45,423,531	\$45,333,301
Total Expenses	(\$45,795,000)	(\$47,080,000)	(\$47,179,000)	(\$48,100,000)	(\$49,030,000)
Net Roll/Loss	(\$3,011,121)	(\$808,396)	(\$1,119,264)	(\$2,676,469)	(\$3,696,699)
<i>Beg Fund Balance</i>	\$18,749,743	\$15,738,622	\$14,930,226	\$13,730,962	\$11,054,493
End Fund Balance	\$15,738,622	\$14,930,226	\$13,730,962	\$11,054,493	\$7,357,794

Previous projection
\$10,032,109

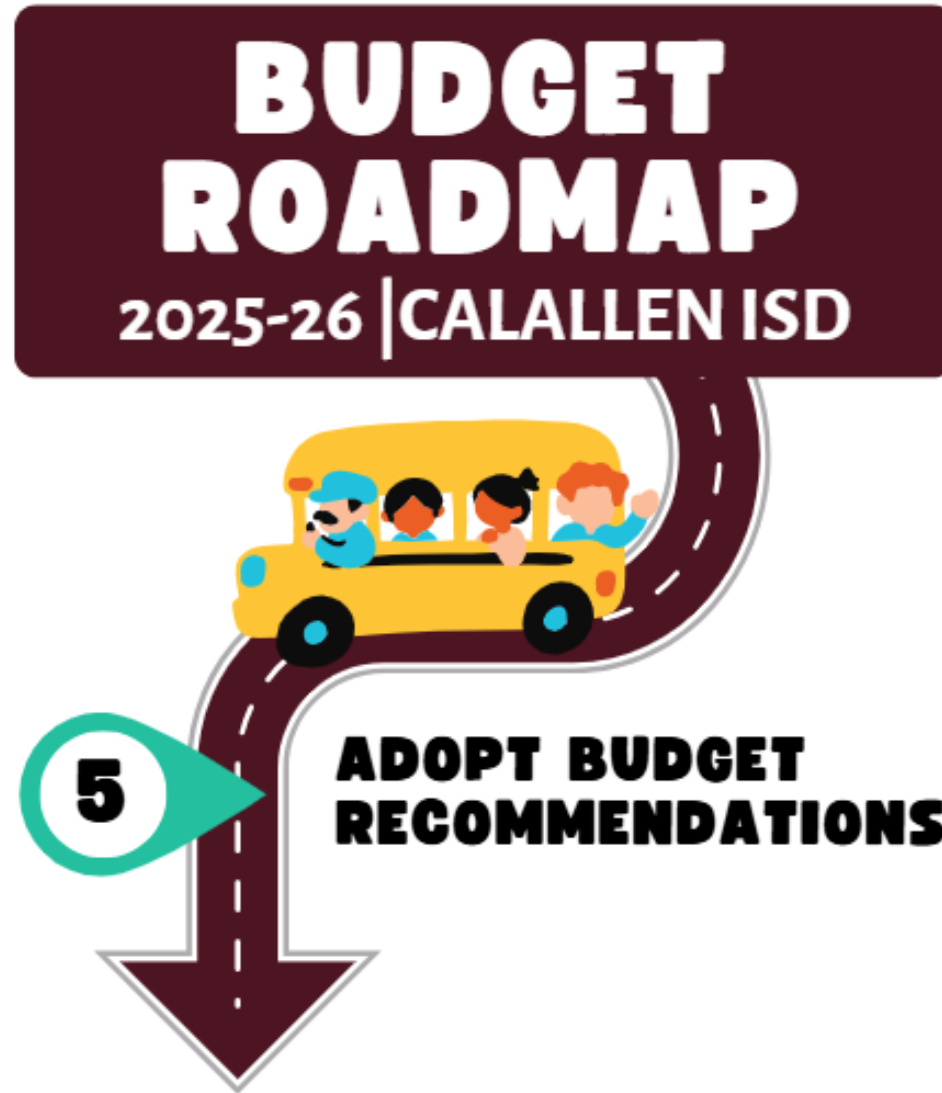
Previous projection
\$1,086,487

Assumes:

- 2026-27 additional position reduction (\$800k)
- No additional position reductions
- 4% Property Value growth
- PASA demographic study enrollment trends
- 2.0% Raises, and 1% Non-payroll expense inflation
- Recapture payments beginning in 2024-25



BUDGET STOP 5



MOTION LANGUAGE

I move to approve the compensation increases as presented. The approved compensation increases include the mandated HB2 Teacher Raises, \$3,000 raises for teachers with 1-2 years experience, adoption of the new proposed pay plans, and 2.5% raise for all non-Teacher positions calculated based on midpoint of the new pay plans. These compensation increases will be partially offset by 2.5% campus and department budget cuts. The District reserves the right to adjust compensation for the 2025-26 fiscal year in response to legislative changes or increases in school funding.



**QUESTIONS,
COMMENTS,
CONCERNS?**

