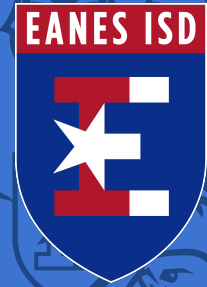


Board Strategic Priority: Finance, Facility & Asset Management Part 2 of 2: Finance



Chris Scott
Chief Financial Officer

October 21, 2025

RECENT STATE REVENUE HISTORY

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Tax Receipts	\$167,467,342	\$171,069,533	\$187,318,166	\$159,669,660	\$160,770,979	\$144,630,249
State Aid	\$3,851,982	\$3,974,981	\$4,746,561	\$4,379,528	\$5,753,711	\$4,773,986
Less Recapture	\$101,773,796	\$105,388,313	\$119,629,328	\$90,671,023	\$93,252,682	\$73,788,852
TOTAL FSP Funding	\$69,545,528	\$69,656,201	\$72,435,399	\$73,378,165	\$73,272,008	\$75,615,383 \$73,099,039*
2025-26 revenue, if inflation was adjusted to CPI annually:						\$86,723,273

*Adjusted for pass-through funds

*Total inflation rate from August 2020 to August 2025: 24.7%



OTHER REVENUE HISTORY

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Investments	\$125,133	\$377,167	\$4,612,808	\$5,485,809	\$4,548,076	\$3,390,000
SHARS	\$730,624	\$626,574	\$858,635	\$61,973	\$2,125	\$75,000
Austin Energy Solar					\$2,460,341	\$759,054
All Other Rev	\$4,719,877	\$7,086,065	\$5,982,398	\$7,254,122	\$6,061,560	\$6,136,200
TOTAL Non-FSP Revenue	\$5,575,634	\$8,089,806	\$11,453,841	\$12,801,904	\$13,072,102	\$10,360,254

2024-25 SHARS lower because of litigation. Anticipate \$75,000/year going forward.
 Total inflation rate from August 2020 to August 2025: 24.7%



EXPENDITURE HISTORY

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Payroll	\$63,716,461	\$65,072,747	\$68,455,547	\$75,066,962	\$77,841,980	\$79,285,379
Non Payroll (Less Recap.)	\$10,970,198	\$11,310,937	\$11,857,847	\$12,080,280	\$11,126,461	\$11,704,867
TOTAL Expenditures	\$74,686,659	\$76,383,684	\$80,313,394	\$87,147,242	\$88,968,441	\$90,990,246



Finance, Facility and Asset Management

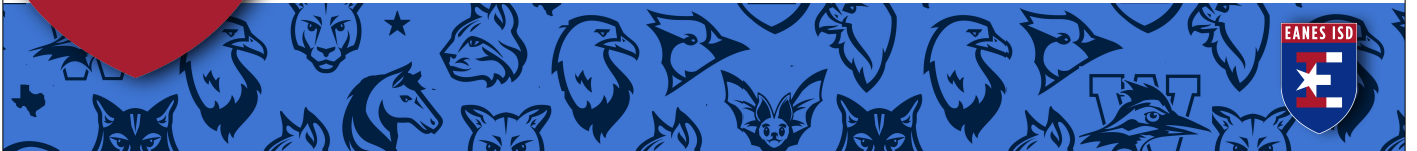
5.1 Efficient and optimal use of limited resources

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EXPECTATIONS

- State funding will decline along with enrollment for next 4 to 6 years (100 students = approx \$710K)
- Investment revenue will continue to decline with the Fed funds rate
- Final Austin Energy solar rebates paid out in 2025
- Annual salary increases will increase expenditures (2% increase costs approximately \$1.6M)



Finance, Facility and Asset Management

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BUDGET GOAL

To find \$5-6M in revenues/cost savings to balance the 2026-27 budget, knowing additional measures will be necessary to:

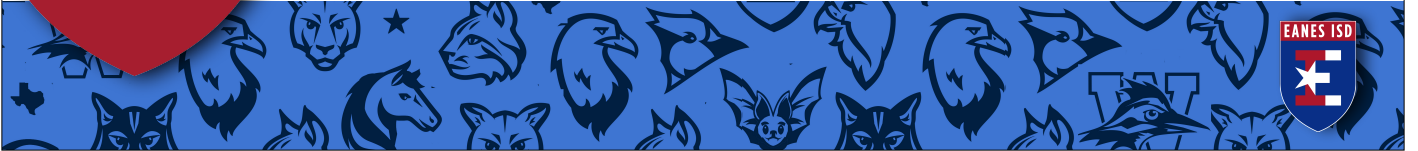
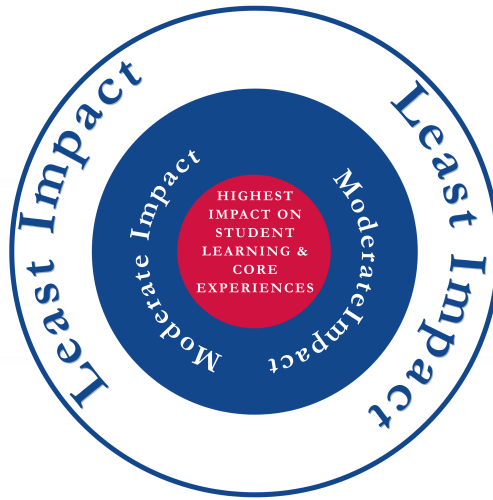
- account for declining revenue
- account for declining enrollment and
- rebuild the fund balance



Finance, Facility and Asset Management

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STRATEGIES



Finance, Facility and Asset Management

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FIVE AVAILABLE OPTIONS

1. VATRE
2. Staffing efficiency
3. Other revenue increases
4. Reduce or eliminate programs/services
5. Salary freeze



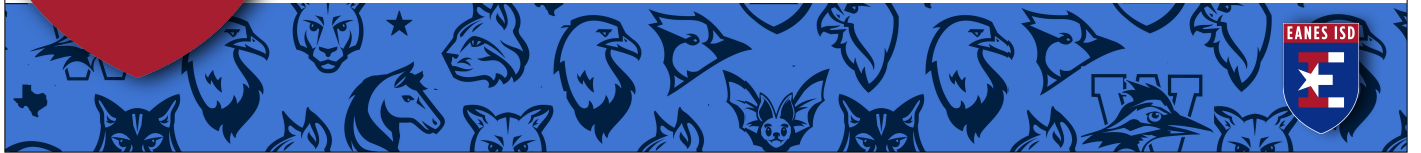
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OPTION 1: VATRE

VOTER APPROVED TAX RATIFICATION ELECTION

The Board can adopt an M&O tax rate that is up to 17¢ higher than the Tier 1 tax rate. Eanes ISD has already adopted 8 of these pennies (the golden pennies). The next 9 pennies are known as the copper pennies because they are recaptured at a higher rate than Tier 1.



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If the Board adopts the 9 copper pennies AND the community approves a tax increase in November 2026, the new tax rate will take effect.

- This would increase tax collections by approximately \$20M annually.
- However, Eanes ISD would only keep approximately \$3.8M with more than \$16M paid to the state in recapture.



Finance, Facility and Asset Management

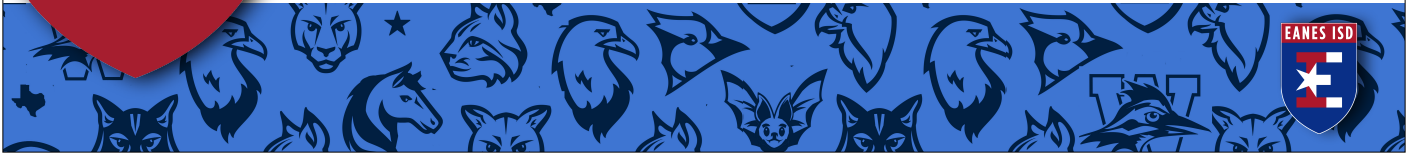
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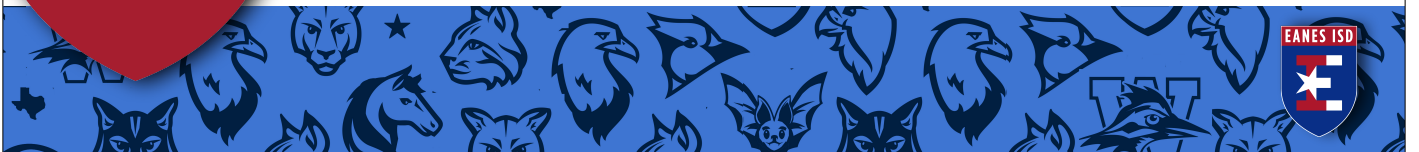
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OPTION 2: STAFFING EFFICIENCIES

Adjust staffing formulas and structures to reflect a more efficient model across campuses and central administration. This would NOT eliminate any student programs.

Estimated cost savings \$3.3M.



Finance, Facility and Asset Management

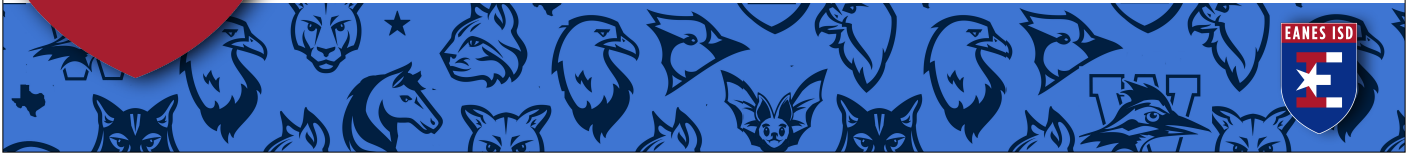
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OPTION 3: INCREASE REVENUE

Identify new or expanded sources of revenue such as increasing facility rentals rates again, creating online courses and adding additional transfer students.

Estimated revenue increase up to \$600K.



**Finance, Facility
and Asset
Management**

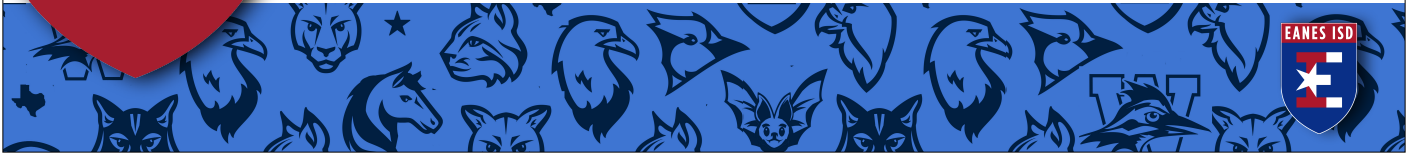
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**Finance, Facility
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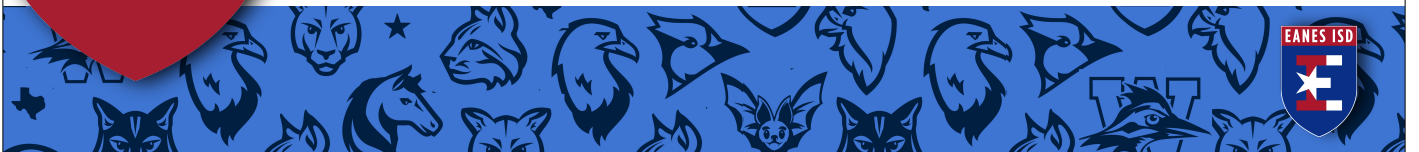
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OPTION 4: ELIMINATE/REDUCE PROGRAMS

Evaluate district programs and services to determine which can be reduced or fully eliminated to cut costs, while minimizing disruptions to student outcomes.

Estimated cost savings vary.



Finance, Facility and Asset Management

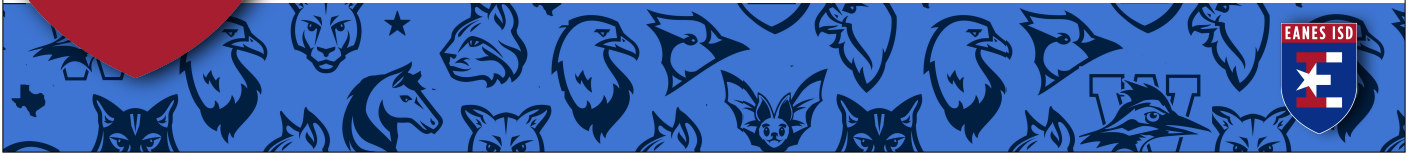
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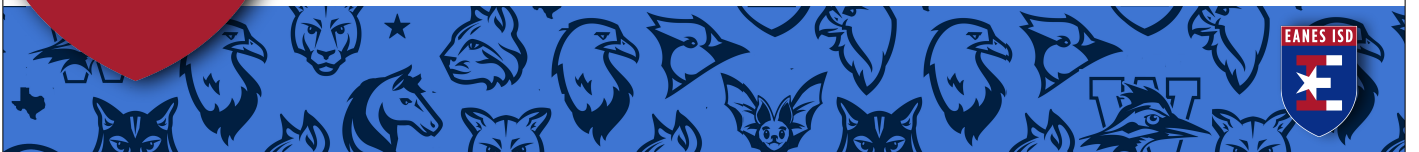
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OPTION 5: SALARY FREEZE

Temporarily reduce district expenditures by pausing part or all salary increases for one budget cycle.

Estimated cost savings \$1.6M based on 2% increase.



Finance, Facility and Asset Management

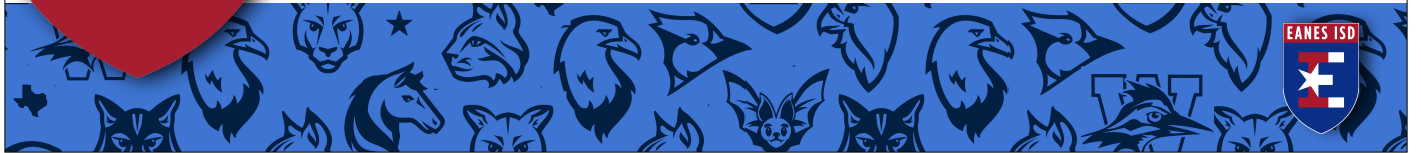
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FIVE AVAILABLE OPTIONS

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 - 5. Salary freeze
- } \$7M+



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TIMELINE

Date	Audience	Objective
Sept 23, 2025	Board	Budget update and initial 2026-27 projection
Oct 21, 2025	Board	Outline potential approaches for 2026-27 deficit reduction
TBD	Community	Budget town hall - Community input
Nov 18, 2025	Board	Present Board Finance Subcommittee recommendations for review and discussion
Dec ???	Community	Community feedback
Dec Special Meeting???	Board	Refine plan based on Board and Community feedback
Jan 27, 2026	Board	Finalize plan and take action where necessary



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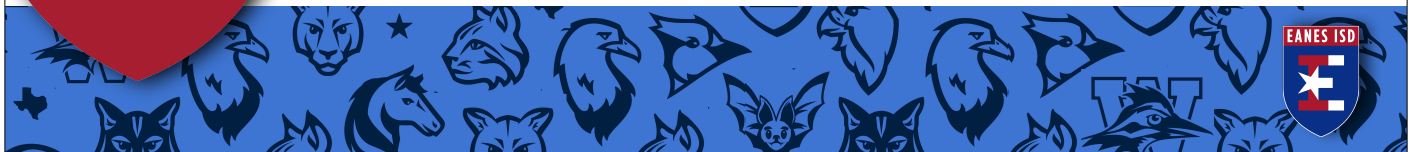
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QUESTIONS TO BOARD/COMMUNITY

1. What **should** be considered to balance the budget?
2. What **should never** be touched or considered?



Questions & Discussion

