

2026-27 Budget Optimization Presentation



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5.1 Efficient and optimal use of limited resources

5.2 Community resources leveraged and aligned to support the district's mission

5.3 Systematic and sustainable long-range facility plans

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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 enrollment and revenue
- account for increasing costs and
- rebuild the fund balance



STRATEGIES

Impact on Students



FIVE AVAILABLE OPTIONS

1. Local Revenue Increases: \$500K
2. Staffing Optimization: \$2.4M-\$3.3M
3. Reduce Programs/Services: \$1.0M-\$1.2M
4. Freeze Salaries/Reduce Raises: up to \$1.6M
5. VATRE: up to \$3.8M



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OPTION 1: INCREASE REVENUE

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

Estimated revenue increase up to \$500K.



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OPTION 2: STAFFING OPTIMIZATION

Adjust staffing formulas and structures across campuses and central administration. This would **NOT** eliminate any student programs.

Estimated cost savings \$2.4M-\$3.3M.



OPTION 2: STAFFING OPTIMIZATION

Central Administration Staffing Review

- Reduce positions across central departments through consolidation, reassignment and attrition.
- Focus on non-instructional roles to limit campus/classroom impact.
- Duties redistributed among existing staff to maintain service continuity.

Projected annual savings: \$520,000



OPTION 2: STAFFING OPTIMIZATION

Elementary Grades Staffing Ratio

- Proposed adjustments:
maintain 1:22 in K-2,
shift to 1:23 in Grade 3, 1:24 in Grade 4 and 1:25 in Grade 5.
- Maintaining instructional quality, interventions and Guaranteed Viable Curriculum (GVC) structures mitigates potential impact.
- All changes implemented through natural attrition, not staff eliminations.

Projected annual savings: \$520,000



OPTION 2: STAFFING OPTIMIZATION

Elementary Grades Staffing Ratio

	Eanes ISD	Eanes ISD Proposed	Highland Park ISD	Edina Public Schools	Manhattan Beach Unified	Westside Community Schools
Kinder	1:22	1:22	1:23	1:22	1:24	1:24
1st	1:22	1:22	1:23	1:24	1:24	1:24
2nd	1:22	1:22	1:23	1:25	1:24	1:24
3rd	1:22	1:23	1:23	1:26	1:31	1:24
4th	1:22	1:24	1:23	1:27	1:31	1:24
5th	1:22*	1:25	1:25	1:27	1:31	1:24

**No regulation or requirement for 5th grade, only guidelines.*



OPTION 2: STAFFING OPTIMIZATION

Elementary Grades Staffing Ratio

	BCE		BPE		CCE		EE		FTE	
	25-26	26-27*	25-26	26-27*	25-26	26-27*	25-26	26-27*	25-26	26-27*
Kinder	20.3	19.75	21	20.25	20	19.5	22	21.33	23.5	22.75
1st	20.8	21.5	18.2	22	17.8	21.25	18.3	17.5	19.3	20
2nd	22.4	21.8	21	19	20	18.5	17.3	19.25	20.5	20.25
3rd	20.2	23.4	18.2	22	21.8	21	22.5	18	21.2	21.5
4th	21.2	21	20.6	22.6	21.6	22.75	18.2	23.5	19.6	22
5th	22.5	22.2	20.6	21.4	24.3	22.4	18.2	22.6	21.4	25.5

**Potential class average calculated by rolling students up one grade and applying historical growth to each cohort.*



OPTION 2: STAFFING OPTIMIZATION

Secondary Grades Staffing Ratios

- Staffing is driven by the enrollment-to-staff divisor (currently 18).
- Proposed increase to a divisor of 20 aligns staffing with enrollment trends, facility capacity and fiscal sustainability.
- Results in larger class sizes, with many sections near 30 students.
- Implemented through natural attrition, not non-renewals; actual impact varies with enrollment and course requests.
- Fewer singleton electives; tighter master scheduling required.

Projected annual savings: \$2,015,000



OPTION 2: STAFFING OPTIMIZATION

Secondary Grades Staffing Ratio

	Eanes ISD Current	Eanes ISD Proposed	Highland Park ISD	Edina Public Schools	Manhattan Beach Unified	New Trier Township High	Westside Community Schools
6-8	17**	20	1:26 (Core)+ 1:28 (Non)+	21	21.75	N/A	21
9-12	18.05**	20	1:26 (Core)+ 1:29 (Non)+	22.5	21.75	21	22.5

***Eanes ISD does not have an adopted enrollment-based staffing model.
+Class size model*



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OPTION 3: REDUCE PROGRAMS/SERVICES

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 \$1.0M-\$1.2M.



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OPTION 4: SALARY FREEZE/REDUCE RAISES

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

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

Estimated cost savings \$0.8M based on 1% increase.



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OPTION 5: VATRE

Voter-Approval Tax Ratification Election (VATRE)

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, called golden pennies. The next 9 pennies are known as copper pennies because they are recaptured at a higher rate than Tier 1.



OPTION 5: VATRE

Voter-Approval Tax Ratification Election (VATRE)

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, called golden pennies. The next 9 pennies are known as the copper pennies because they are recaptured at a higher rate than Tier 1.

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.



FOUR REDUCTION PACKAGES

- All packages include Option 1: Increase in Local Revenue (\$500K) and Option 2: Staff Optimization (\$2.4M-\$3.3M) for a total starting point of \$2.9-\$3.8M.
- All packages can be modified.
- All packages were designed to minimize the impact on the core Eanes ISD student experience.



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FOUR REDUCTION PACKAGES

Package 1

Revenue Increase -	\$0.5M
Staffing Optimization -	\$2.4M-\$3.3M
Program Reduction -	\$1.0M-\$1.2M
Salary Freeze -	\$1.6M
Total Budget Reduction -	\$5.5M-\$6.6M



FOUR REDUCTION PACKAGES

Package 2

Revenue Increase -	\$0.5M
Staffing Optimization -	\$2.4M-\$3.3M
Program Reduction -	\$1.0M-\$1.2M
1% Salary Increase -	\$0.8M
Total Budget Reduction -	\$4.7M-\$5.8M



FOUR REDUCTION PACKAGES

Package 3

Revenue Increase -	\$0.5M
Staffing Optimization -	\$2.4M-\$3.3M
5-Penny VATRE -	\$2.1M

Total Budget Reduction - \$5.0M-\$5.9M

**2% raise if VATRE passes.*

VATRE failure/no raise = \$4.5M-\$5.4M savings.



FOUR REDUCTION PACKAGES

Package 4

Revenue Increase -	\$0.5M
Staffing Optimization -	\$2.4M-\$3.3M
9-Penny VATRE -	\$3.8M

Total Budget Reduction - \$6.7M-\$7.6M

**2% raise if VATRE passes.*

VATRE failure/no raise = \$4.5M-\$5.4M savings.



FOUR REDUCTION PACKAGES

Package 1		Package 2	
Revenue increase -	\$0.5M	Revenue increase -	\$0.5M
Staffing optimization -	\$2.4M-\$3.3M	Staffing optimization -	\$2.4M-\$3.3M
Program reduction -	\$1.0M-\$1.2M	Program reduction -	\$1.0M-\$1.2M
Salary freeze -	\$1.6M	1% Salary increase -	\$0.8M
Total Budget Reduction -	\$5.5M-\$6.6M	Total Budget Reduction -	\$4.7M-\$5.8M
Package 3		Package 4	
Revenue increase -	\$0.5M	Revenue increase -	\$0.5M
Staffing optimization -	\$2.4M-\$3.3M	Staffing optimization -	\$2.4M-\$3.3M
5-Penny VATRE* -	\$2.1M	9-Penny VATRE* -	\$3.8M
Total Budget Reduction -	\$5.0M-\$5.9M	Total Budget Reduction -	\$6.7M-\$7.6M
<i>*2% raise if VATRE passes. VATRE failure/no raise = \$4.5M-\$5.4M savings.</i>		<i>*2% raise if VATRE passes. VATRE failure/no raise = \$4.5M-\$5.4M savings.</i>	

BOARD TIMELINE

Date	Objective
Sept 23, 2025	Budget update and initial 2026-27 projection
Oct 21, 2025	Outline potential approaches for 2026-27 deficit reduction
Nov 18, 2025	Present Board Finance/Personnel Subcommittee recommendations for review and discussion
Dec 9, 2025	Present ThoughtExchange results
Jan 13, 2026	Continue discussion and propose final plan
Jan 27, 2026	Finalize plan and take action where necessary



Questions & Discussion

