

Superintendent Update

January 22, 2026



Committee Updates

- Policy (2)
- Budget (2)
- Long-Range Planning (2)
- Citizens Bond Advisory Council (1)



Joint Meetings

Long-Range Planning Committee and Citizens Bond Advisory Committee Joint Meetings

- Purpose:
 - Plan for our future
 - Match our facility usage to our enrollment
 - Use our limited resources as efficiently as we can
 - Maintains student programs
 - Allows us to retain staff
 - Recommend the criteria for us to create a school closure proposal
 - Recommend a bond package for Board approval
- This will be some of the most important work we have experienced in the history of Keller ISD



Committee Charges

- Use data-driven decisions in the best interest of the district
- Focus on district-wide needs
- Base decisions on what is best for KISD
- Recommend criteria that lead to greater overall efficiencies
- Recommend to the Board a campus consolidation plan and a bond package
- Maximize M&O funding to support staff pay and retention
- Ensure safe, effective learning and work environments



Campus Consolidation

- March (Tentative) Recommendation to the Board to include campuses for closure
- Effective date August 2027

Decisions will be made:

- Based on objective criteria, not individual campuses
- Committee determines criteria
- District develops and presents proposal aligned to the criteria

Process is set up to ensure decisions are data-driven, transparent, and focus on what is best for Keller ISD as a whole



Why We're Here?

- Enrollment is declining – fewer students
- Fewer students = less funding – funding follows students
- Costs cannot be reduced to equal the loss of funding associated with our enrollment decline





Ten Year Forecast by Grade Level

Year	EE	PK	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Total Growth	Total %
2021/22	228	648	2,235	2,240	2,341	2,459	2,495	2,620	2,566	2,642	2,865	3,090	2,781	2,836	2,767	34,813	494	1.4%
2022/23	264	714	2,086	2,286	2,289	2,344	2,453	2,470	2,583	2,573	2,672	3,086	2,832	2,677	2,749	34,078	-735	-2.1%
2023/24	287	634	2,002	2,101	2,340	2,336	2,395	2,393	2,439	2,607	2,601	2,917	2,879	2,688	2,631	33,250	-828	-2.4%
2024/25	236	656	1,783	2,032	2,089	2,327	2,338	2,349	2,379	2,449	2,577	2,770	2,729	2,633	2,695	32,042	-1,208	-3.6%
2025/26	217	525	1,693	1,804	2,021	2,087	2,260	2,289	2,316	2,373	2,436	2,669	2,567	2,525	2,661	30,443	-1,599	-5.0%
2026/27	209	506	1,671	1,749	1,817	2,052	2,102	2,232	2,272	2,340	2,359	2,577	2,528	2,409	2,537	29,360	-1,083	-3.6%
2027/28	211	510	1,671	1,743	1,767	1,843	2,054	2,064	2,166	2,290	2,322	2,550	2,444	2,358	2,428	28,421	-939	-3.2%
2028/29	213	508	1,643	1,729	1,756	1,793	1,835	2,019	2,066	2,180	2,279	2,427	2,410	2,276	2,381	27,515	-907	-3.2%
2029/30	211	502	1,650	1,701	1,748	1,781	1,796	1,809	1,969	2,080	2,170	2,295	2,299	2,251	2,292	26,554	-961	-3.5%
2030/31	212	514	1,717	1,711	1,720	1,769	1,778	1,771	1,843	1,983	2,065	2,300	2,175	2,142	2,273	25,973	-581	-2.2%
2031/32	212	515	1,715	1,774	1,733	1,739	1,769	1,751	1,800	1,855	1,972	2,160	2,177	2,027	2,162	25,361	-612	-2.4%
2032/33	212	516	1,738	1,774	1,795	1,755	1,739	1,744	1,787	1,814	1,844	2,106	2,049	2,029	2,043	24,945	-416	-1.6%
2033/34	212	518	1,733	1,797	1,798	1,814	1,753	1,714	1,772	1,800	1,804	1,982	1,997	1,909	2,048	24,651	-294	-1.2%
2034/35	212	518	1,726	1,790	1,822	1,818	1,813	1,728	1,754	1,783	1,786	1,950	1,881	1,860	1,926	24,367	-284	-1.2%
2035/36	212	520	1,721	1,804	1,819	1,839	1,822	1,768	1,782	1,766	1,773	1,928	1,851	1,749	1,877	24,231	-137	-0.6%

*Yellow box = largest grade per year
Green box = second largest grade per year*

Enrollment

Year	Enrollment	Loss	Revenue Loss (Basic Allotment)
25-26	30,443	-1,599	\$9,937,785
26-27	29,360	-1,083	\$6,730,845
27-28	28,421	-939	\$5,835,885
28-29	27,515	-907	\$5,637,005
29-30	26,554	-961	<u>\$5,972,615</u>
			\$34,114,135

Source: KISD Fall 2025 Enrollment/Housing Report
<https://www.kellerisd.net/about-kisd/demographic-reports>



Capacity

Max Capacity

- 39,500 (100% utilized)

2025-2026 Enrolled Capacity Utilized

- 30,443 enrolled (77% utilized)

2027-2028 Projected

- 28,421 enrolled (72% utilized)

Source: KISD Fall 2025 Enrollment/Housing Report
<https://www.kellerisd.net/about-kisd/demographic-reports>



Why Can't we Offset Cost Loss of Student with Same Staff Costs?

Example:

K 2025-2026 = 1,693

 2026-2027 = 1,671

22 or .956 students per campus ratio of 22:1

1st 2025-2026 = 1,804

 2026-2027 = 1,749

55 or 2.391 students per campus ratio of 22:1

2nd 2025-2026 = 2,021

 27=6-27 = 1,817

204 or 8.869 students per campus ratio 22.1

Total Loss of 281 Students = \$1,746,415 (equal to 25 teachers)



Keller ISD Scenario

Small declines don't always result in savings

Loss of students is spread out over 23 campuses—but that's not enough to reduce a teacher position(s)

What the numbers show across three grade levels:

Grade	Students Lost	Impact on Staffing
Kindergarten	22	No impact
1st Grade	55	Possibility of no impact
2nd Grade	204	Limited impact

Total students lost: 281

Loss of funding : \$1.7 million

Staff savings: Limited



Why Enrollment Loss Doesn't Always Equal Cost Savings

Example: Friendship Elementary

Class Size Ratio of 22:1 in K, 24:1 in Grades 1-2

Grade	25-26	Teachers	26-27	Teachers
K	62	3	61 (-1)	3
1st	65	3	63 (-2)	3
2nd	85	4	76 (-9)	4

What Changed:

- Students lost: **12**
- Revenue lost: **\$74,580**
- Teachers reduced: **0**

Why This Happens?

- Teachers are added or removed in *whole positions*, not fractions.
- Small losses across grades don't eliminate a class.
- Core staffing remain fixed.



The Reality

- Enrollment declines don't translate into savings
- Students decline in small numbers across all campuses
- Revenue drops **before** staffing can be reduced to offset it (budget lag)

**Enrollment declines create immediate financial loss—reductions cannot occur at the same pace*



FTE Comparisons

	<u>2023-2024</u>	<u>2025-2026 (unofficial)*</u>
Teachers	2,379	2,001 (16%)
Prof. Support	413	397 (4%)
Campus Admin.	144	110 (24%)
Cent. Office Admin.	76	62 (18%)
Educational Paras	408	416 2%
Auxiliary Staff	841	795 (5%)

Source:

ERG Analytics

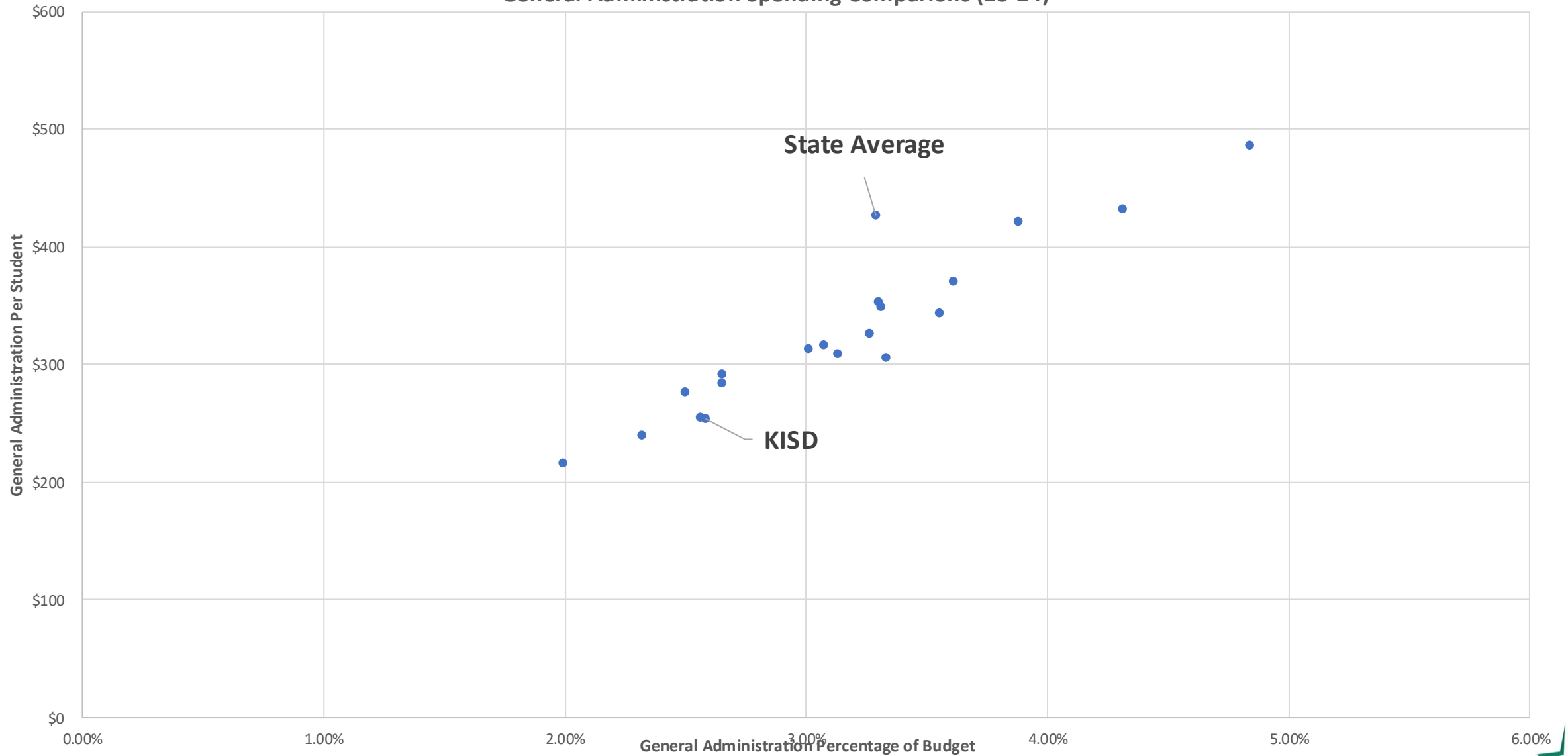
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*Official District Data Updated on the TEA Website in October of the following year. There is a lag time.



General Administration (Central Office) Spending as a Percentage of Budget

General Administration Spending Comparisons (23-24)



Staffing Costs

Payroll Expenses:

2021-2022	\$277 million (83.57% of M&O Budget)
2024-2025	\$265 million (79.42% of M&O Budget)

******Funding lost to declining enrollment = \$27 million***



What else is causing continued budgeting challenges?

- As we reduce staffing to align with enrollment, other cost are rising.



2021-2022 Budget

2024-2025 Budget

Instruction (Function 11,95)	\$208,022,518	62.56%	Instruction (Function 11,95)	\$194,468,543	58.38%
Instructional Resources & Media Services (Function 12)	\$4,116,107	1.24%	Instructional Resources & Media Services (Function 12)	\$2,797,188	0.84%
Curriculum & Staff Development (Function 13)	\$5,630,896	1.69%	Curriculum & Staff Development (Function 13)	\$3,677,101	1.10%
Instructional Leadership (Function 21)	\$4,869,579	1.46%	Instructional Leadership (Function 21)	\$4,089,763	1.23%
School Leadership (Function 23)	\$20,861,266	6.27%	School Leadership (Function 23)	\$20,655,510	6.20%
Guidance Counseling Services (Function 31)	\$14,803,788	4.45%	Guidance Counseling Services (Function 31)	\$12,326,982	3.70%
Social Work Services (Function 32)	\$186,472	0.06%	Social Work Services (Function 32)	\$354,347	0.11%
Health Services (Function 33)	\$473,560	0.14%	Health Services (Function 33)	\$4,110,924	1.23%
Transportation (Function 34)	\$14,122,795	4.25%	Transportation (Function 34)	\$16,610,688	4.99%
Food Services (Function 35)	\$2,006	0.00%	Food Services (Function 35)	\$6,500	0.00%
Extracurricular (Function 36)	\$10,496,702	3.16%	Extracurricular (Function 36)	\$10,083,184	3.03%
General Administration (Function 41,92)	\$9,029,762	2.72%	General Administration (Function 41,92)	\$7,824,713	2.35%
Facilities Maintenance & Operations (Function 51)	\$30,511,221	9.18%	Facilities Maintenance & Operations (Function 51)	\$41,340,696	12.41%
Security & Monitoring Services (Function 52)	\$3,147,834	0.95%	Security & Monitoring Services (Function 52)	\$4,971,334	1.49%
Data Processing Services (Function 53)	\$4,617,129	1.39%	Data Processing Services (Function 53)	\$7,697,184	2.31%
Community Services (Function 61)	\$1,621,203	0.49%	Community Services (Function 61)	\$2,081,877	0.63%
Total Operating Expenditures by Function	\$332,512,838	100.00%	Total Operating Expenditures by Function	\$333,096,534	100.00%
Basic Educational Services (PIC 11)	\$167,592,986	50.40%	Basic Educational Services (PIC 11)	\$152,802,899	45.87%
Gifted and Talented (PIC 21)	\$2,054,859	0.62%	Gifted and Talented (PIC 21)	\$1,896,346	0.57%
Career and Technical (PIC 22)	\$14,380,059	4.32%	Career and Technical (PIC 22)	\$13,571,866	4.07%
Students with Disabilities (PICs 23,33,43)	\$56,385,730	16.96%	Students with Disabilities (PICs 23,33,43)	\$62,157,516	18.66%
State Compensatory Education (PICs 24,26,28,29,30,34)	\$9,334,662	2.81%	State Compensatory Education (PICs 24,26,28,29,30,34)	\$9,449,813	2.84%
Bilingual (PICs 25,35)	\$1,301,911	0.39%	Bilingual (PICs 25,35)	\$1,412,945	0.42%
High School Allotment (PIC 31)	\$0	0.00%			
PreKindergarten (PIC 32)	\$4,452,922	1.34%			
Early Education Allotment (PIC 36)	\$2,857,503	0.86%	Early Education Allotment (PIC 36)	\$2,588,187	0.04%
Dyslexia or Related Disorder Services (PIC 37)	\$5,855,754	1.76%	Dyslexia or Related Disorder Services (PIC 37)	\$5,313,548	2.05%
College, Career, and Military Readiness (CCMR) (PIC 38)	\$869,651	0.26%	College, Career, and Military Readiness (CCMR) (PIC 38)	\$125,924	23.10%
Athletics/Related Activities (PIC 91)	\$7,574,978	2.28%	Athletics/Related Activities (PIC 91)	\$6,825,804	100.00%
Un-Allocated (PIC 99)	\$59,851,823	18.00%	Un-Allocated (PIC 99)	\$76,951,686	23.00%
Total Operating Expenditures by Program Intent Code (PIC)	\$332,512,838	100.00%	Total Operating Expenditures by Program Intent Code (PIC)	\$333,096,534	

Function = Purpose of the transaction, such as instructional services or program support.

Sources: [PEIMS Financial Standard Reports | Texas Education Agency](#)

Program Intent Code = The particular need or student group for which the funds are being expended.



Increased Costs

- Function:

• Social Work Services	\$167,875
• Transportation	\$2,487,893
• Facilities Maintenance and Operations	\$10,829,475*
• Security & Monitoring Services	\$1,823,500
• Data Processing Services (Technology)	\$3,080,055*
• Community Services	\$460,674

- Program Intent Code (PIC):

• Students with Disabilities	\$5,771,786
• Un-Allocated	\$17,099,863

*Money that could be freed up through passage of Bond package



Key Takeaways

- Declining enrollment means less funding each year.
- Most staffing and campus operating costs cannot be reduced student-by-student.
- Budget growth reflects intentional investments, not overspending.
- Many buildings are not fully utilized, resulting in empty seats while fixed costs for staffing, utilities, and maintenance remain.
- These realities reinforce the need for long-range planning, including ongoing work with planning and bond committees to align facility use, capital needs, and financial sustainability.





www.KellerISD.net/Future

