

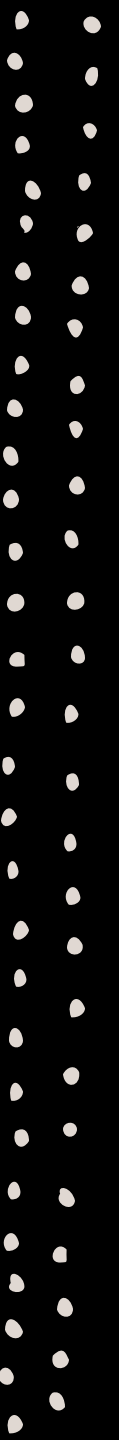


COLLEGE STATION

INDEPENDENT SCHOOL DISTRICT

Budget Advisory Committee

DECEMBER 9, 2025



Welcome and Introductions

Let's get to know you!

- What is your **name** and **connection** to the District?
- What is the future you **envision** for the **students** and **community** of College Station?



*What perceptions exist in the community
about how College Station ISD receives
funding?*





Guiding Principles of the Budget Advisory Committee



Serve as an Ambassador for
College Station ISD



Review the Budget Situation

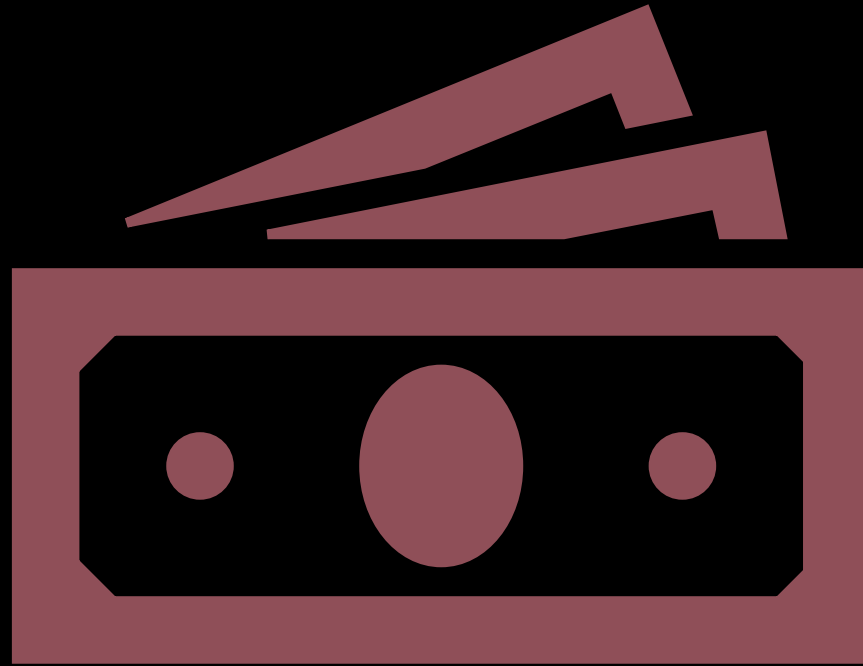


Consider Available Options for
Addressing Financial Challenges



Prepare Committee
Recommendations

Understand that the Budget Committee focuses on **What** needs to be addressed, not
How to implement the solution



School Finance 101

TEXAS LEGISLATURE 2025

Texas' public ed funding boost brings some relief but erodes districts' independence, school leaders say

A law providing \$8.5 billion in new funding for Texas public schools lacks the spending flexibility that previously let districts address their campuses' needs as they saw fit.

BY JADEN EDISON

JULY 3, 2025, 5:00 A.M. CENTRAL

REPUBLISH ↗ SHARE

Draft financial solvency plans call for mid-year layoffs at Judson ISD

Texas Public Radio | By Camille Phillips
Published December 1, 2025 at 5:11 PM CST

NEWS // EDUCATION

Texas schools still struggle with deficits despite HB 2 funding boost

By Keri Heath, K-12 Education Reporter
Updated July 28, 2025 4:43 p.m.

Arlington ISD's enrollment projected to drop below 50,000 next year



Texas school districts impacted by budget shortfalls despite passing of HB 2

By Meredith Aldis | Published June 19, 2025 3:09pm CDT | Education | FOX 7 Austin | ↗

How did we get here!

EDUCATION

TEXAS SCHOOL DISTRICTS SLAM THE SENATE'S SCHOOL FINANCE PLAN

"It's like your house being on fire, and the fire department showing up with a 12 ounce cup of water."

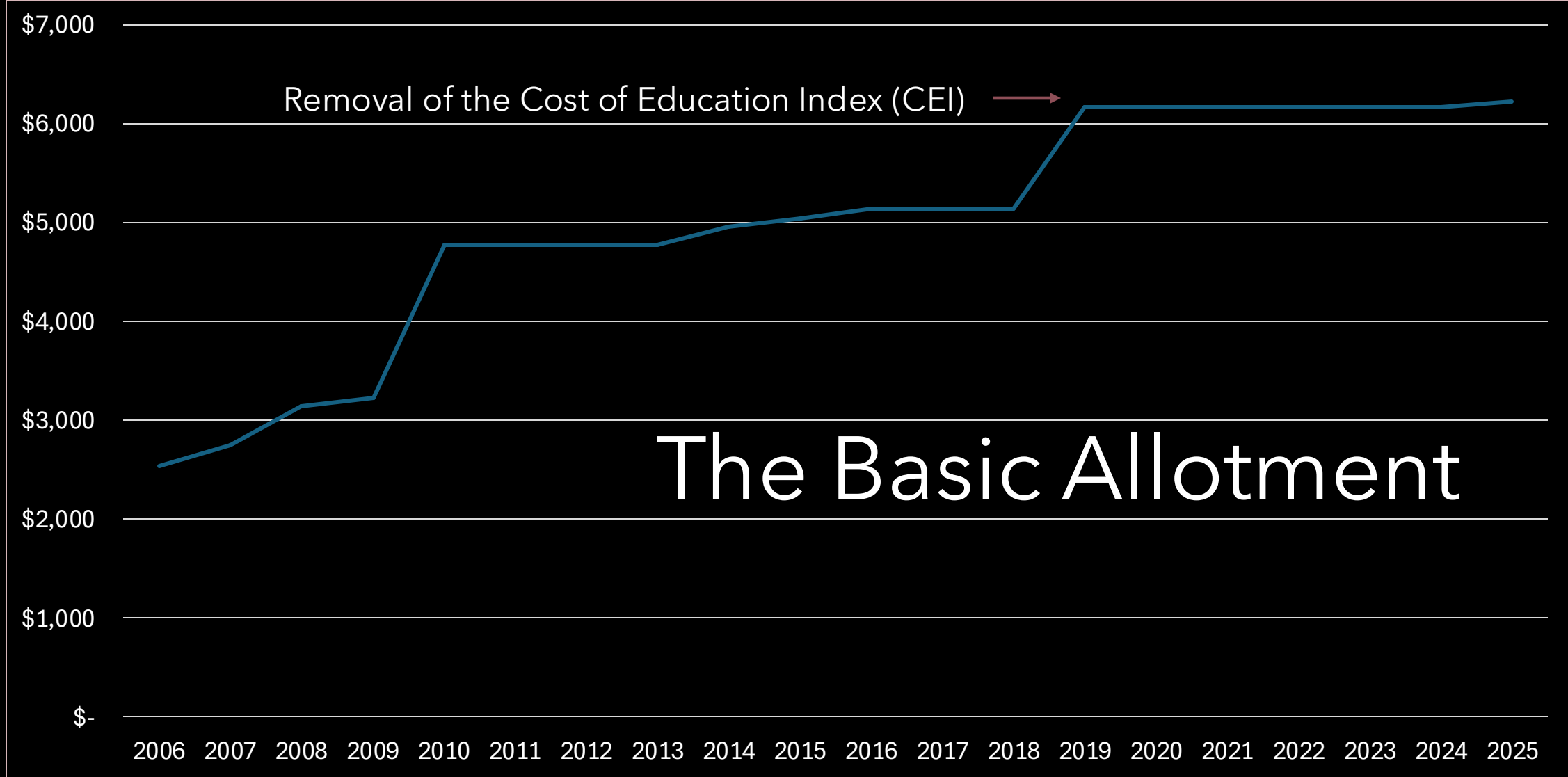
by JOSEPHINE LEE
MAY 19, 2025, 2:41 PM, CDT



Austin ISD school board adopts new budget with a nearly \$20 million deficit

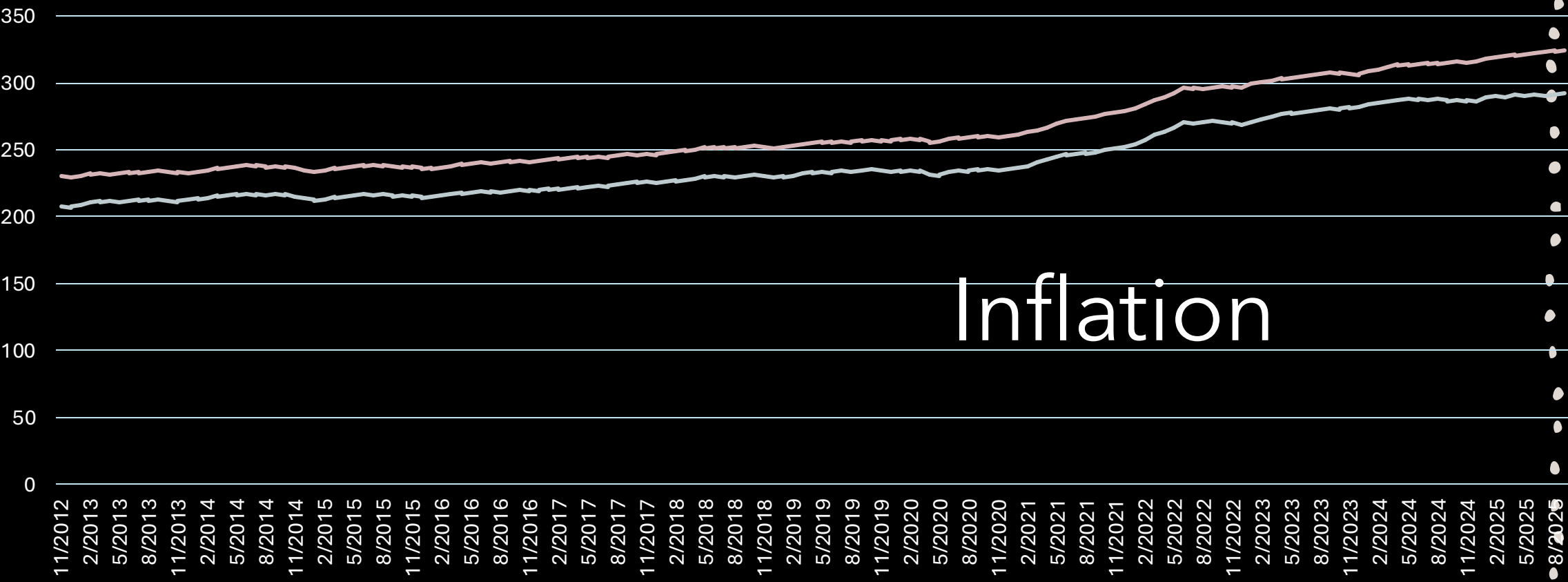
UT 90.5 | By Becky Fogel
Published June 27, 2025 at 11:04 AM CDT





The Basic Allotment

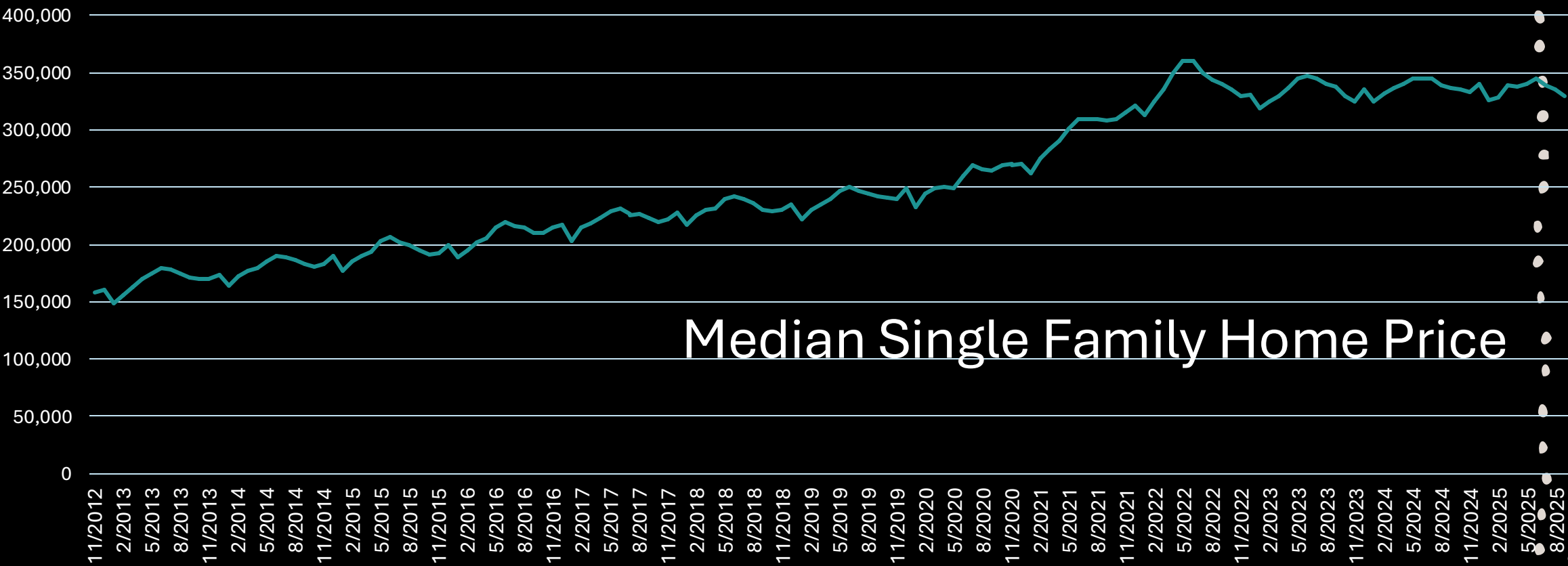
Key Economic Indicators



Inflation

— Consumer Price Index TX — Consumer Price Index U.S.

Key Economic Indicators



Median Single Family Home Price

New Allotments – 89th Legislation

- Teacher Retention Allotment (pass-through)
- Support Staff Retention Allotment
- Basic Costs Allotment (A.B.C.)
- Several other small allotments/reimbursements:
 - Sped evaluations
 - College Prep/Career Readiness Assessments
 - Certification Exam Reimbursement

Teacher Retention Allotment

- Provides pay increases for classroom Teachers
 - No NEW revenue to ISD
 - Based on years of teaching experience
 - 0 - 2 years of experience = \$0.00
 - 3 - 4 years of experience = \$2,500
 - 5+ years of experience = \$5,000
- ONE time adjustment
- Funding continues and increase is permanent but not additional in future years

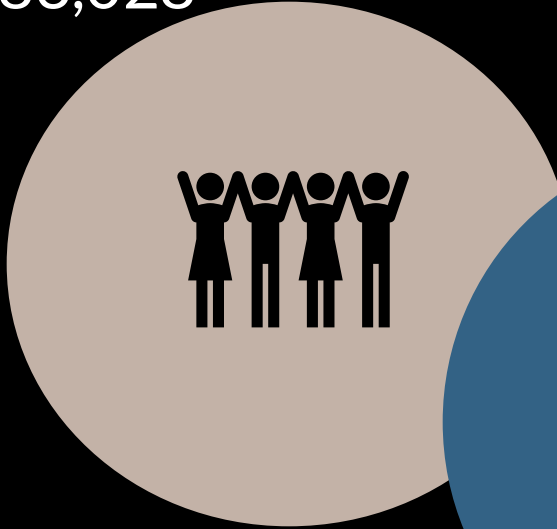
Support Staff Retention Allotment

- \$45/ADA
- Provides funding to increase salaries for non-administrative staff
 - Salary increases for 0-2 year teachers
 - Eligible staff also include school counselors, librarians, school nurses, teacher's assistants, custodial staff, food services staff, bus drivers, administrative assistants, and other support staff.

Basic Costs Allotment (ABC)

- \$106/**ENROLLED** Student
- Can only be used for specific operational costs:
 - Transportation
 - Hiring retired teachers
 - Health insurance and employee benefits and payroll taxes
 - Utilities
 - Property and casualty insurance
- Funding under this allotment is being applied automatically moving forward.

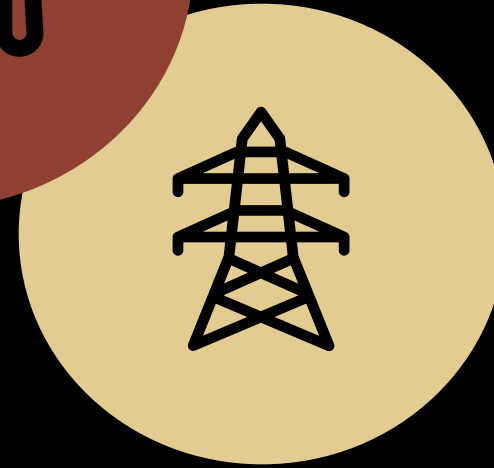
+26.6% EMPLOYEE
COMPENSATION
Up \$16,183,028



+392% GENERAL INSURANCE POLICIES
Up \$2,196,747



+49% FUEL COST
Up \$215,003



+16% UTILITIES
COST
Up \$622,551



Things to pay attention to:

2019 Changes

- Increase in Basic Allotment
 - Loss of Cost of Education Index
- Loss of Lag Effect
 - Gain of Fast Growth Allotment
- Added CCMR funding and Early Education Allotment
 - Loss of High School Allotment Funding
 - Required to provide Full Day Pre-K
 - Required to provide Reading Academies

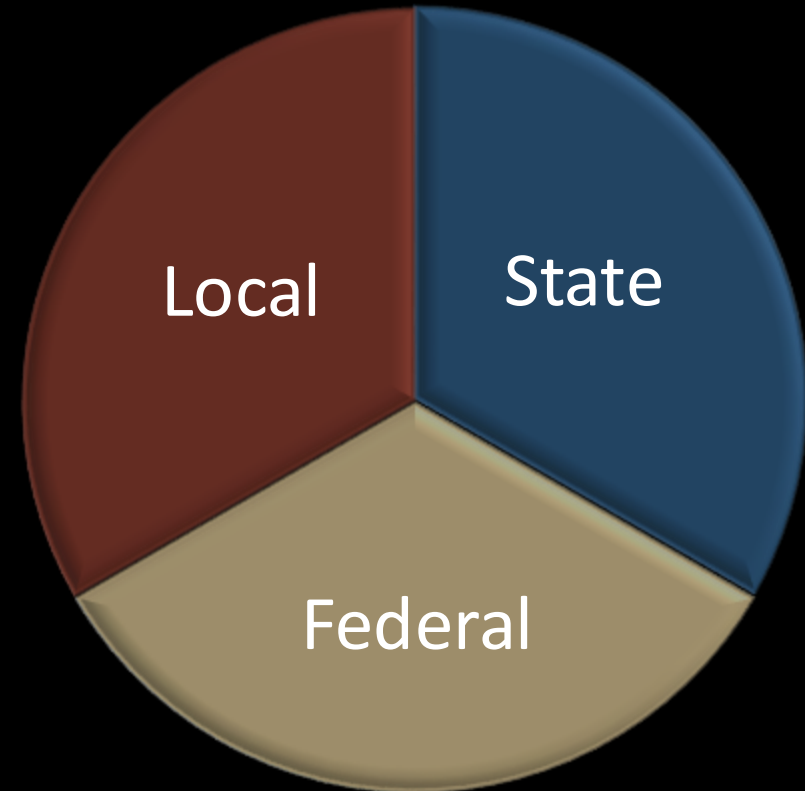
Things to pay attention to:

2025 Changes

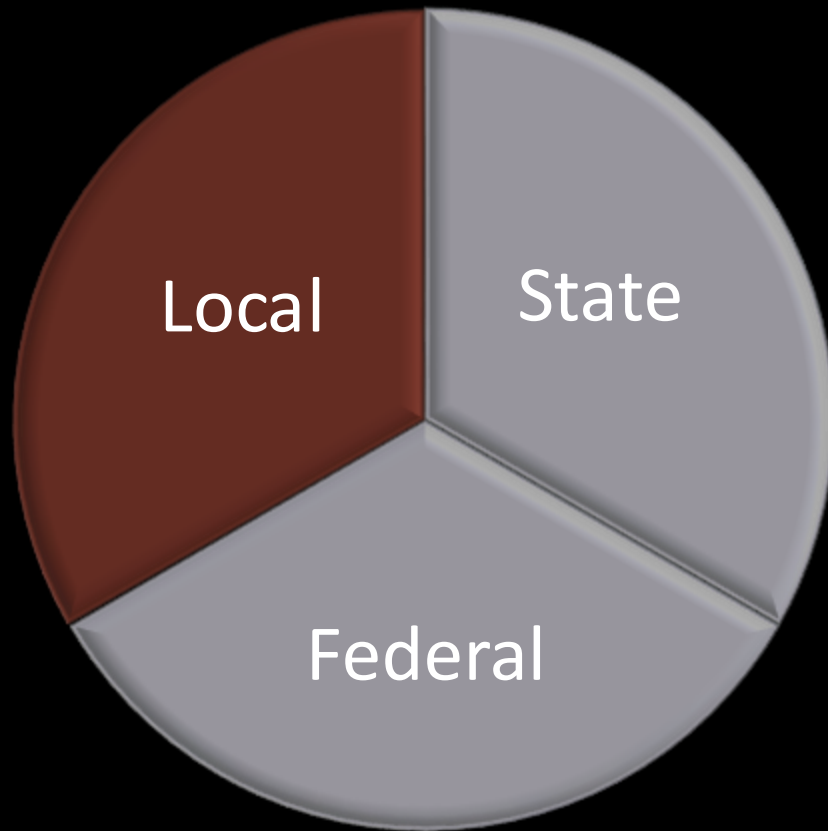
- Change in Guaranteed Yield
 - Based on % of Basic Allotment and does not increase based on Austin's Penny Yield
- New Yields are removed from the WADA Calculation
- Early Childhood Funding
- Special Education Funding

Public School Revenue Sources

- State aid
- Local tax collections & other local sources
- Federal funds (not related to grants)



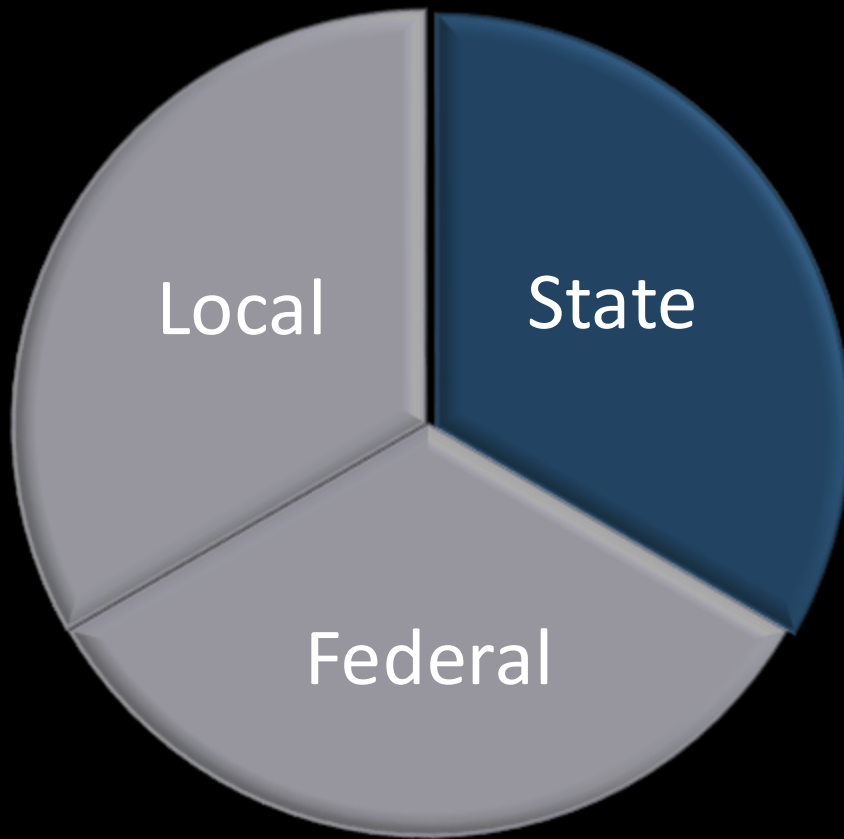
Local Revenue Sources



Local Revenues = 68%

- **Property Tax Collections – 96.45%**
- Interest Income on Investments – 2.5%
- Ticket Sales – Athletics/Fine Arts
- Misc. revenues

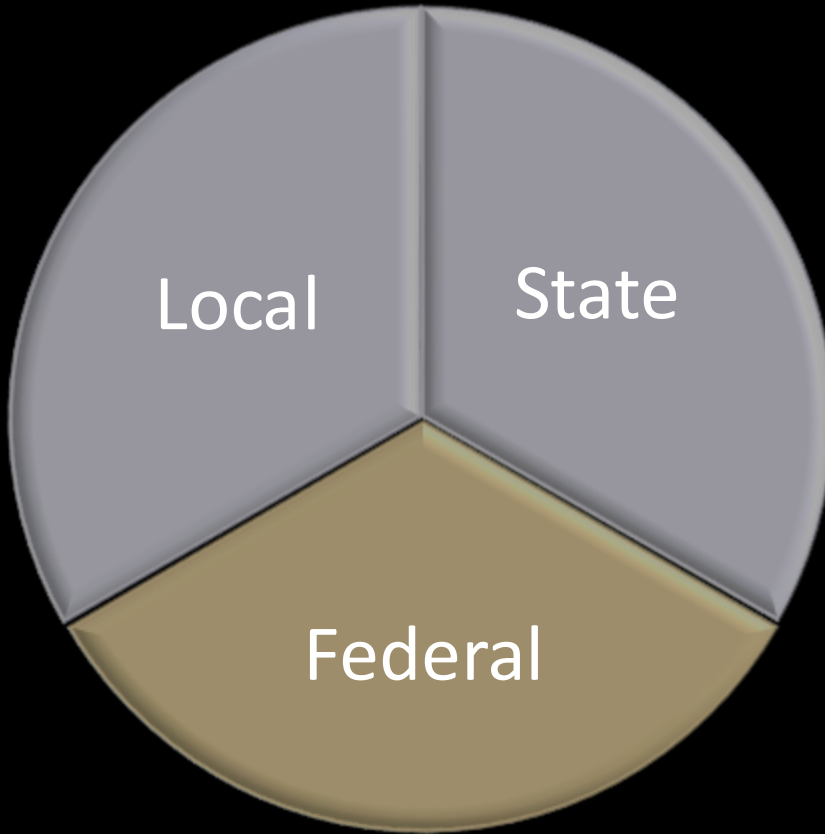
State Revenue Sources



State Revenue = 31%

- Available School Fund and Foundation School Program State Aid – 82.42%
- TRS On-Behalf – 17.58%

Federal Revenue Sources



Federal Funds = 1%

- Indirect cost on federal grants
- SHARS Funding

Note: federal grants accounted for in special revenue funds

Basic Allotment	State established funding amount per student. Set at \$6,160 in 2019. Increased by \$55 to \$6,215
Entitlement	Tier 1 guaranteed revenue amount, will be funded through state and local revenue combination.
Local Share	Portion of the Tier 1 entitlement the district is responsible for raising through the local property tax. Depends on property wealth and tax rate.
State Share	The difference between the entitlement and the local share. Distributed as Foundation School Program Funds.
Guaranteed Yield	State guaranteed amount of Tier 2 revenue per penny (golden/copper) per weighted student .

Funding Elements in Texas

Acronyms Used in School Finance

ADA

Average Daily Attendance, or the average number of students who show up for school each day (used in Tier 1)

WADA

Number of students in “**Weighted**” **Average Daily Attendance**, adjusted for program needs of the student (used in Tier 2)

ASF

Available School Fund “per capita” payments based on prior year ADA; rate determined each year by State Board of Education; current allotment is \$471.190

MCR

Maximum Compressed Rate (M&O), driven by property value growth; certified by TEA

LFA

Local Fund Assignment (**Current year State value/100 * MCR**)

The Foundation School System (FSP) is the state program that **establishes** the amount of **state and local funding** due to school districts under **Texas School Finance Law** and provides the state share of this funding to districts....the FSP is meant to ensure that all school districts, regardless of property wealth, receive "**substantially equal access to similar revenue per student** at similar tax effort"

Tax Rate Components

Maintenance and Operations M&O Tax Rate



Tier I

Maximum
Compressed Tax
Rate (MCR)

Level I Recapture



Tier II

Golden Pennies
8 Available

3 Voter Approval
Needed

No Recapture



Copper Pennies
9 Available

Voter Approval

Level II Recapture

Interest and Sinking I&S Tax Rate



No Recapture

Maintenance and Operations (M&O Tax) Tiers

Tier 1



Maximum
Compressed Tax
Rate (MCR)

Level 1 -
Recapture

The **Tier 1** calculation is based upon: **FOUNDATION ENTITLEMENT**

- **Basic allotment** per student in ADA, which is set in the General Appropriations Act (Set in 2019 at \$6,160; increased to **\$6,215** in 2025)
 - Number of students in average daily attendance (**ADA**)
 - District characteristics
 - Student characteristics
 - FGA (fast growth allotment)
 - NIFA (new instructional facilities allotment)
 - Teacher Incentive Allotment
 - New Allotments with 89th Legislative Session

The **Tier 1** rate (Maximum Compressed Rate-MCR) is **set by the state**.

- Funds the district's foundation entitlement
 - In 2019, HB 3 indexed this rate to a district's property value growth
 - Rising property values compress this rate; has **decreased from \$1.00 to \$.6163 since 2019**

MCR – Maximum Compressed Tax Rate

Compression compares the extent to which estimated property value growth exceeds 2.5% to determine the MCR

No district may have an MCR less than 90 percent of any other district.

Penalized if don't tax at MCR by lowered Basic Allotment

\$.5689 - \$.6322

Calculation of TIER I Entitlement

Regular Program Allotment (ADA)	Student & District Characteristics	The Basic Allotment = \$6,215
Special Education (SPED)		
Dyslexia Allotment		
State Compensatory Education (SCE) and Pregnancy Related SVS (PRS)		
Bilingual Education Allotment		
Career and Technology Education (CTE)		
Gifted and Talented (GT)		
Public Education Grant (PEG)		
Early Education Allotment		
CCMR Outcomes Bonus		
Fast Growth Allotment		
Teacher Incentive Allotment		
Dropout Recovery & Facility Allotment		

Calculation of TIER I Entitlement

Transportation Allotment

Dropout Recovery and Residential Placement Facility Allotment

College Preparation and Career Readiness Assessment Reimbursement

Teacher Retention Allotment NEW

Support Staff Retention Allotment NEW

Special Education Full Individual and Initial Evaluation NEW

School Safety Allotment

Allotment for Basic Costs NEW

College Preparation Assessment Reimbursement

Certificate Examination Reimbursement

Early Childhood Intervention Set-Aside

Gifted and Talented performance standards & Math Counts Set-aside

Student & District
Characteristics

The Basic
Allotment =
\$6,215

Funding Elements to Calculate Tier I

Total Cost of Tier I	\$124,000,000
Available School Fund	\$471
Available School Fund ADA	13,285
2025 State Certified Value	\$15,000,000,000
MCR	\$0.6163

Total Cost of Tier I	\$124,000,000
Less: Available School Fund	\$6,259,759
Less: Local Fund Assignment	\$92,445,000
Remaining is State Share	\$25,295,241

Maintenance and Operations (M&O Tax) Tiers

Tier II



Golden Pennies
8 Available

3 Voter Approval
Needed

No Recapture



Copper Pennies
9 Available

Voter Approval

Level II Recapture

The **Tier 2** rate refers to the district's "**enrichment**" entitlement

- The **Tier 2** rate is **approved by voters**.
 - Tier 2 rate consists of Golden and Copper pennies
- The **Tier 2 calculation** is based on:
 - Number of students in **weighted average daily attendance** (WADA)
 - Number of approved pennies

Calculation of TIER II Enrichment

Regular Program Allotment (ADA)
Special Education (SPED)
Dyslexia Allotment
State Compensatory Education (SCE) and Pregnancy Related SVS (PRS)
Bilingual Education Allotment
Career and Technology Education (CTE)
Gifted and Talented (GT)
Public Education Grant (PEG)
Early Education Allotment
CCMR Outcomes Bonus
Fast Growth Allotment
Teacher Incentive Allotment
Dropout Recovery & Facility Allotment

Student & District
Characteristics

Calculation of TIER II Enrichment

~~Transportation Allotment~~

~~Dropout Recovery and Residential Placement Facility Allotment~~

~~College Preparation and Career Readiness Assessment Reimbursement~~

~~Teacher Retention Allotment~~ NEW

~~Support Staff Retention Allotment~~ NEW

~~Special Education Full Individual and Initial Evaluation~~ NEW

~~School Safety Allotment~~

~~Allotment for Basic Costs~~ NEW

~~Certificate Examination Reimbursement~~

~~Early Childhood Intervention Set-Aside~~

~~Gifted and Talented performance standards & Math Counts Set-aside~~

Student & District
Characteristics

Funding Elements to Calculate Tier II

Total Cost of Tier I	\$124,000,000
Less Adjustments	-\$35,000,000
Total Adjusted Cost	\$89,000,000
District Basic Allotment	\$6,215
Total Golden Pennies	7.9200
Total Copper Pennies	9.0000
Guranteed Golden Penny Yield	\$129.52
Guaranteed Copper Penny Yield	\$49.72
WADA (Adjusted/DBA)	14,320
Total Enrichment Funding	\$14,689,631
Local Fund Assignment	\$11,880,000
State Share	\$2,809,631

Tax Rate Components

Maintenance and Operations M&O Tax Rate

Interest and Sinking I&S Tax Rate



Tier I

Maximum
Compressed Tax
Rate (MCR)

Level I Recapture



Tier II

Golden Pennies
8 Available

3 Voter Approval
Needed

No Recapture



Copper Pennies
9 Available

Voter Approval

Level II Recapture



No Recapture

A Balancing Act



Once district's cup size is determined, the state fills cup with **local** property taxes **first**.

School Tax Rate Overview



General Operating Fund

Maintenance & Operations (M&O)

- The annual district budget is passed by the Board of Trustees.
- 84% of the district's M&O budget goes to teacher and staff salaries.

Debt Services Fund

Interest & Sinking (I&S)

- I&S funds may only be used to repay voter approved debt.
- Cannot be used for salaries, utilities or other day-to-day expenses.

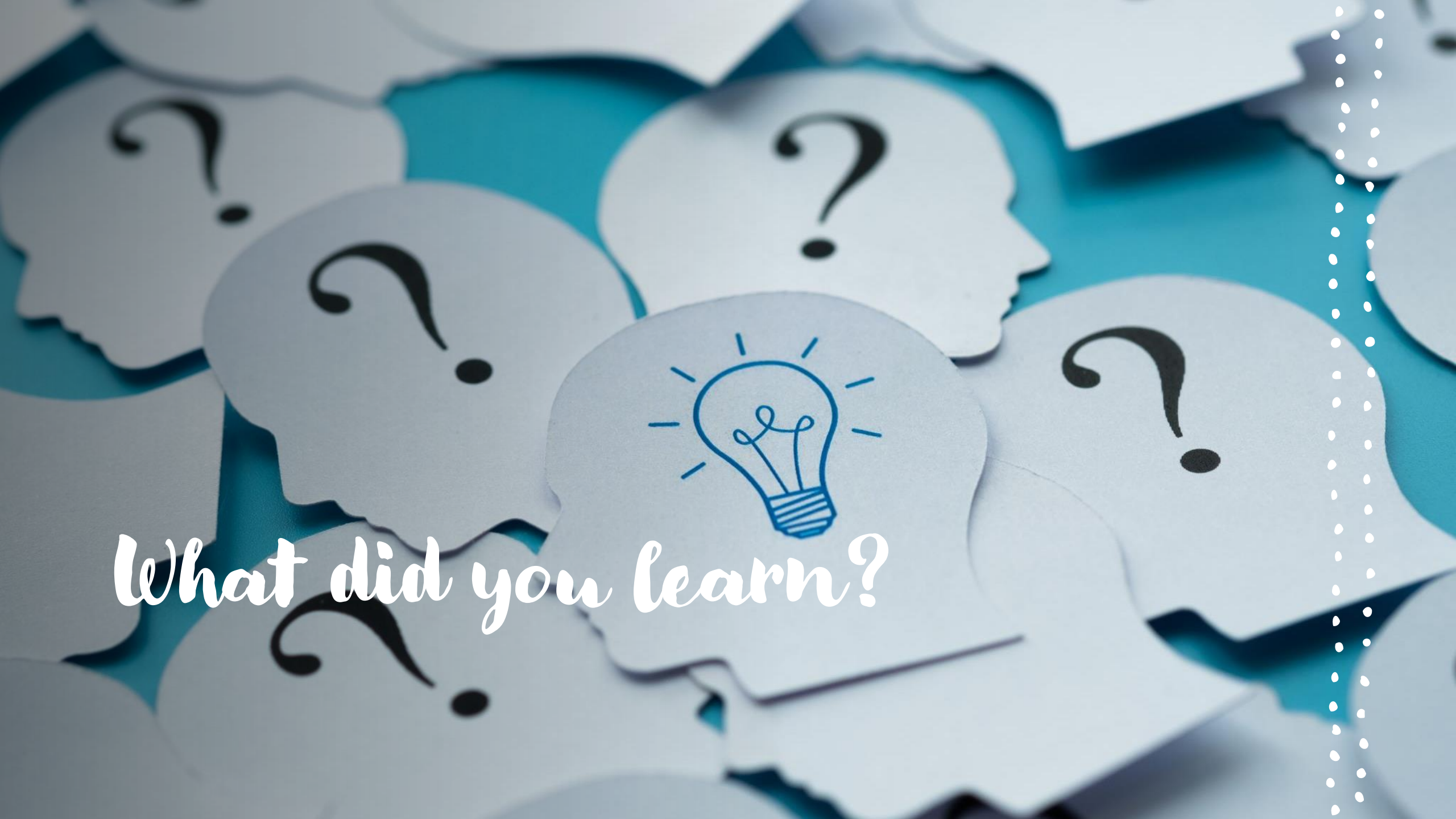
For the average citizen, this is similar to:



Groceries | House Repairs | Utilities
Car Fuel | Routine Services



Mortgage | Home Renovation
Land | Major Appliances | New Car



What did you learn?

Elementary Campus Growth Comparison 2025 Snapshot

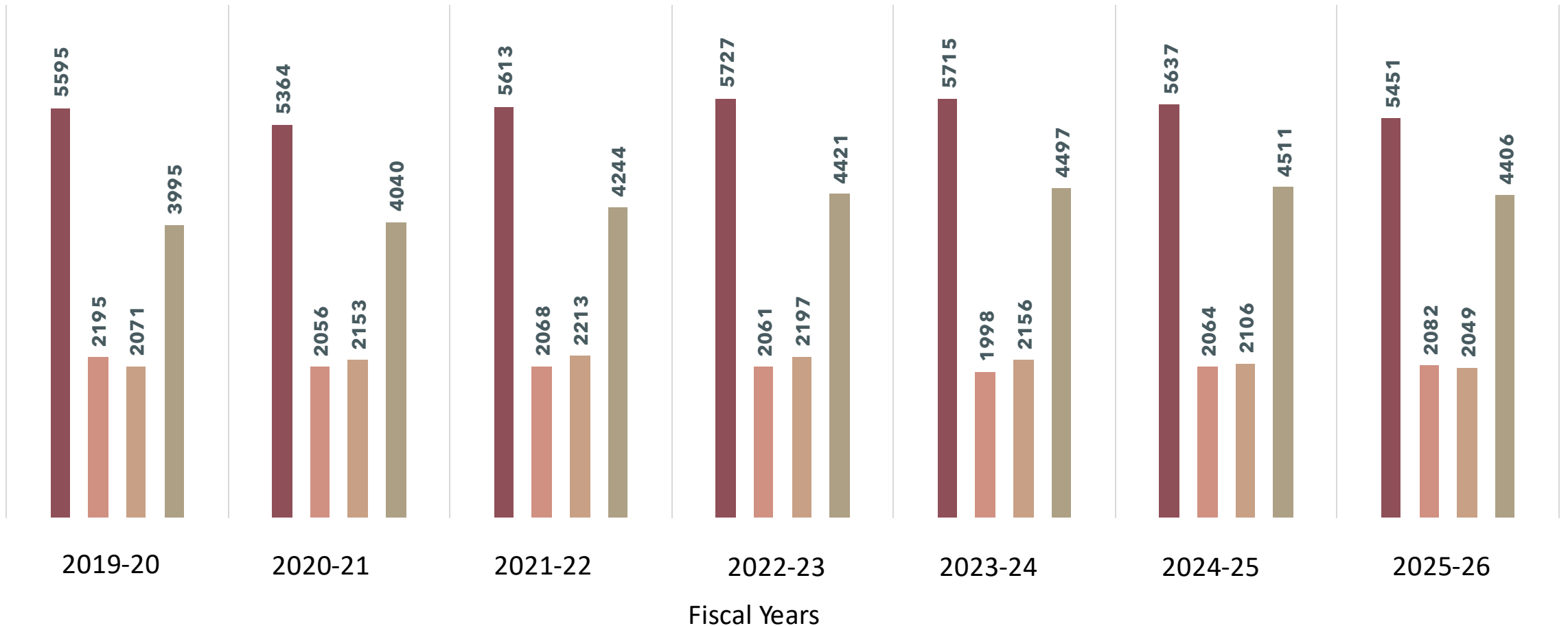
Campus	Early Ed	Pre-K	Kinder	1st	2nd	3rd	4th
South Knoll Elementary	37.50%	36.36%	8.79%	0.00%	0.95%	1.06%	0.93%
College Hills Elementary	-26.67%	33.33%	-14.78%	-7.83%	-14.41%	-3.37%	-10.38%
Southwood Valley Elemntary	-40.00%	-46.38%	-0.89%	0.89%	-6.67%	0.00%	0.00%
Rock Prairie Elementary	-30.00%	-23.94%	-4.65%	-6.98%	1.25%	-9.30%	-16.50%
Pebble Creek Elementary	-37.50%	-46.88%	-5.22%	-2.61%	0.00%	-3.39%	-11.02%
Forest Ridge	62.50%	12.12%	-6.58%	10.53%	12.94%	3.37%	5.32%
Creek View Elementary	-42.86%	-13.56%	3.23%	-1.61%	6.98%	11.84%	0.00%
Greens Prairie Elementary	-14.29%	61.54%	1.20%	8.43%	5.19%	6.67%	10.89%
Spring Creek Elementary	-35.00%	11.11%	-15.70%	4.13%	0.00%	2.19%	-3.92%
River Bend Elementary	-16.67%	-12.77%	-2.20%	6.59%	-6.52%	4.21%	4.81%

*Early Ed – Kinder based on previous Early Ed – Kinder counts

**1st-4th based students moving from 2024-25 grade level to their 2025-26 grade level

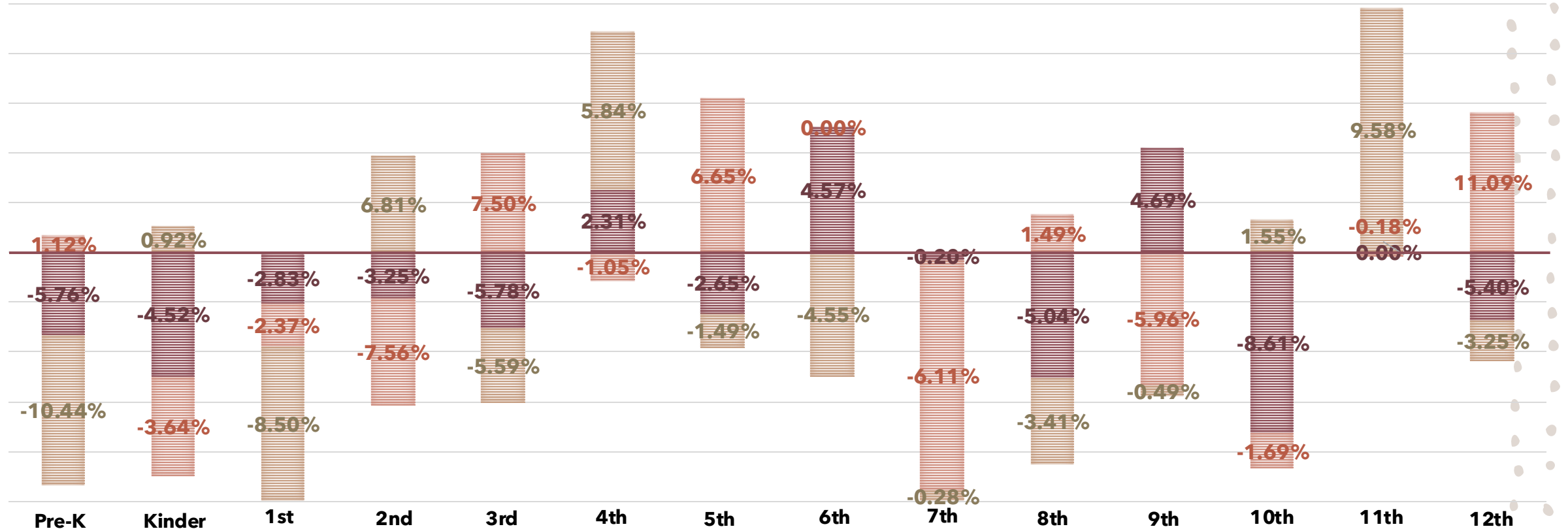
Historical Grade Level

■ Elementary ■ Intermediate ■ Middle School ■ High School



Enrollment Trends

■ 24 to 25 ■ 23 to 24 ■ 22 to 23



Enrollment Trends – 2025 Snapshot

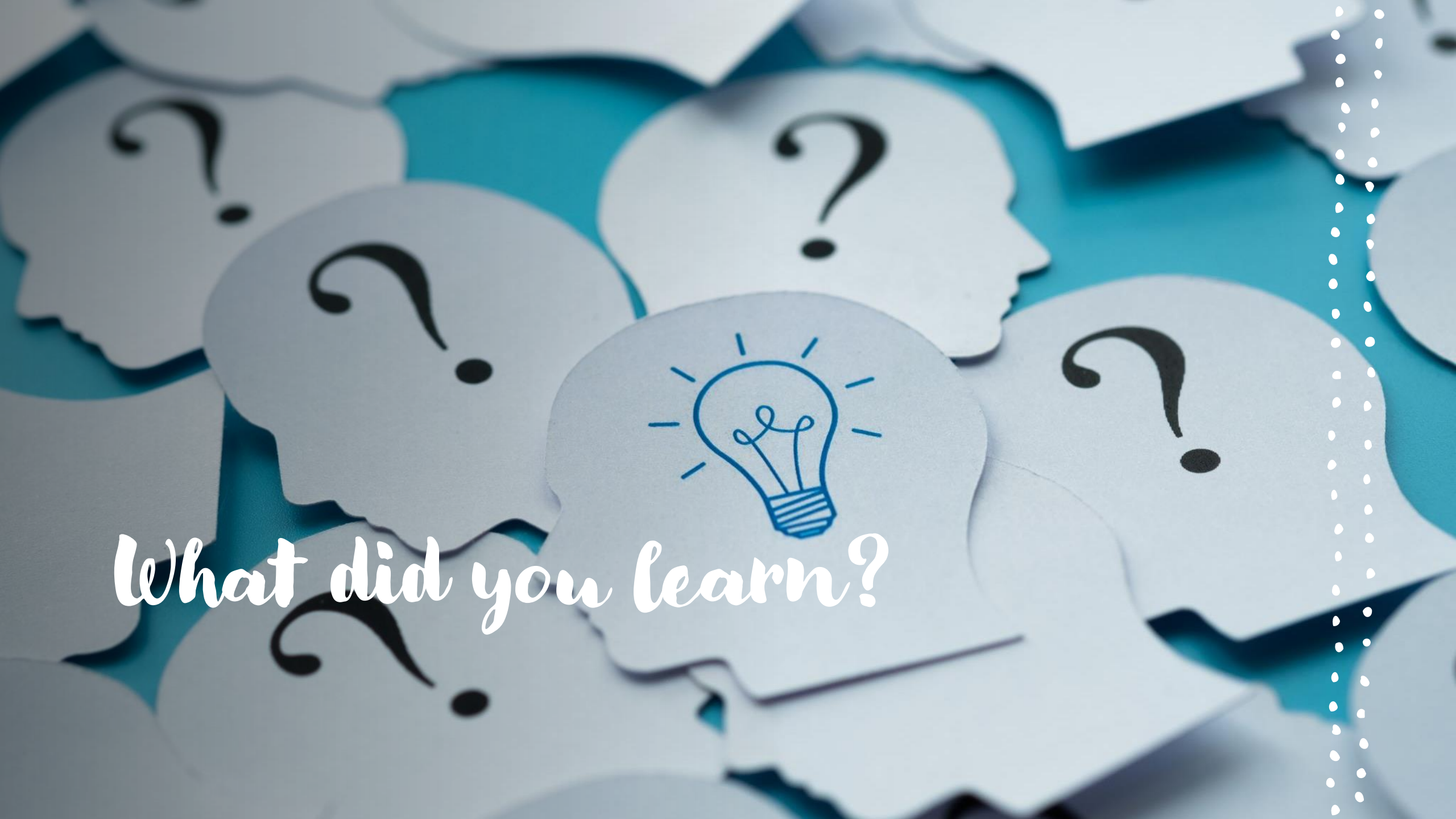
Grade Level	Enrollment
EE	84
Pre-K	425
Kinder	909
1st	960
2nd	982
3rd	1,027
4th	1,064
5th	1,030
6th	1,052
7th	1,013
8th	1,036
9th	1,205
10th	1,061
11th	1,107
12th	1,033

Enrollment Trends

CAMPUS-LEVEL ENROLLMENT SNAPSHOT (2025)			
Campus	Total Capacity	Total Snapshot Enrollment	Enrollment Growth vs. 2024 Snapshot
South Knoll Elementary	660	585	4.30%
College Hills Elementary	660	553	-7.80%
Southwood Valley Elemntary	660	606	-7.60%
Rock Prairie Elementary	620	472	-12.30%
Pebble Creek Elementary	620	596	-5.10%
Forest Ridge	640	490	0.20%
Creek View Elementary	640	428	-2.10%
Greens Prairie Elementary	660	514	0.80%
Spring Creek Elementary	660	671	-3.60%
River Bend Elementary	660	537	2.90%
Oakwood Intermediate	920	744	2.10%
Cypress Grove Intermediate	920	531	-4.50%
Pecan Trail Intermediate	925	795	2.00%
College Station Middle	940	581	-0.20%
A&M Consolidated Middle	920	600	-0.20%
Wellborn Middle	925	850	0.80%
A&M Consolidated High	1,950	2,154	-0.60%
College Station High	2,350	2,110	-1.00%
College View High		83	-12.60%
CVHS Accelerated Academy		24	4.30%
Totals	16,330	13,924	-2.75%

Federal Funding

Program	President's Proposal	House FY26 Proposal	Senate FY26 Proposal	College Station ISD's Current Entitlements
Title I, Part A	\$18.407 billion (level funds)	\$14.626 billion (-\$3.78 b)	\$18.457 billion (+\$50 m)	\$2,760,142
IDEA, Part B	\$14.891 billion (+677 m through a block grant - zeros out programs under D)	\$14.234 billion (+\$20 m)	\$14.264 billion (+\$50 m)	IDEA, B Formula \$2,288,494 IDEA, B Preschool \$39,940
Title II, Part A	\$0 (Consolidated into K12 SFP)	\$0 (-\$2.19 b)	\$2.19 billion (level funds)	\$527,820
Title III, Part A	\$0 (Eliminated)	\$0 (Eliminated)	\$890 million (level funds)	\$148,778
Title IV, Part A	\$0 (Consolidated into K12 SFP)	\$1.385 billion (+ \$5 m)	\$1.380 billion (level funds)	\$205,740
REAP	\$0 (Consolidated into K12 SFP)	\$225 million (+ \$5 m)	\$225 million (+\$5 m)	\$0
Impact Aid	\$1.625 billion (level funds)	\$1.630 billion (+\$5 m)	\$1.625 billion (level funds)	\$0
Head Start	\$12.272 billion (level funds)	\$12.272 billion (level funds)	\$12.357 billion (+\$85 m)	\$2,680,497
Other provisions of note	Also eliminates Title III, Migrant education, teacher quality partnership grants and full-service community schools	Rescinds \$2.638 billion (\$938million from Title I, A and \$1.7 billion from Title II, A) in "advance funding" funds expected on Oct. 1	Includes language requiring funds to be allocated by the date they are available for obligation (Avoiding a future withholding	Title I, Part C - \$7,146 Carl Perkins CTE - \$161,266



What did you learn?

*What questions do you have on the budget
process at College Station ISD?*



Future Dates

Date	Location	Topic
January 13, 2025	CSISD Central Office	• Review Enrollment Data and Allocations • Review How Money is Allocated • Review Staffing Models • What Have We Done So Far • Begin Developing Budget Committee Recommendations
February 19, 2025	CSISD Central Office	• Present Data based on Budget Committee Recommendations • Review Committee Recommendations • Develop Final Recommendations for the Board of Trustees



Questions

