

# 2024-2025 Budget Planning



# Superintendent Priority Goal and CBAS Pillar Alignment

A circular icon with a grey background and a thick black border. It features a bar chart with four bars of increasing height, topped with a red flag. The text 'Coppell ISD' is positioned to the right of the chart. Below the chart, the words 'SUPERINTENDENT' and 'PRIORITY GOAL' are written in red and black respectively. At the bottom center, the number '4' is displayed in a red outline.

Coppell ISD  
**SUPERINTENDENT**  
**PRIORITY GOAL**  
4

A circular icon with an orange background and a thick black border. It features a white icon of a banknote with a dollar sign. Below the icon, the words 'FISCAL &' and 'OPERATIONAL' are written in white, with 'SYSTEMS' in black. At the bottom, 'Coppell ISD' is written in white.

**FISCAL &**  
**OPERATIONAL**  
**SYSTEMS**  
Coppell ISD



# 2023-2024 Budget Year-to-Date (Sept through Dec 2023)



## Revenues:

- Currently on target
- Tax revenue \$ collected lower due to increased homestead exemption
- Tax revenue % collected ~ 33%. Has been higher in prior years (37-40%)
- Loss due to frozen tax levies increased from ~\$2 M to ~\$4 M
- Investment earnings on target
- Athletic activity revenue higher than prior year to date
  
- SHARS revenue expected reduction \$500k less than budgeted
  
- State funding entitlement on target
  - Refined Average Daily Attendance (ADA) on target
  - Attendance rate through first three six-week periods ~ 96.5%
  - CTE growth strong & other special populations (increases WADA)



## Expenditures:

- On Target: overall spent ~33% of budgeted expenditures
- Payroll running ~ \$1.5 million under budget
- Contracted services expenditures higher this quarter
  
- Recapture expense will be adjusted if tax collections are adjusted



## Budget adopted \$13.6 million deficit

- Board priorities to remain a leader in Salary/Benefits; Employee Retention
- Educator support positions & training
- Evaluate program effectiveness; offer choice programs; efficient operating costs
- Open enrollment expansion to generate revenue
- Use fund balance

## Budget YTD compared to 2022-23

- 2022-23 resulted in balanced budget due to \$6M in unbudgeted revenue from investment earnings
- Budget includes \$15.6 million in additional expenditures over Prior Year Actuals & \$1.9M in additional revenues over Prior Year Actuals. (Net \$13.7M increase)
- ~\$1.5M in projected payroll savings as of first quarter
- Estimated \$1.2M in unspent budgeted expenditures similar to 2022-23
- ~\$11 million deficit projected based on the first quarter of 2023-24
- Continue to monitor tax collections & recapture



State's three main priorities regarding schools:

1. Cutting Property Taxes
2. School safety
3. School choice



State's three main priorities regarding schools:

## **Cutting Property Taxes**

Passage of the \$100,000 homestead exemption and further compression of the Maintenance & Operations tax rate resulted in significant reduction of property taxes.

As a result, Coppell ISD will collect less in property tax revenue and will pay less in recapture back to the state.

This does **not** increase the funding that Coppell ISD receives



State's three main priorities regarding schools:

## **School safety**

HB3 increases the school safety allotment from \$9.72 to \$10/ADA plus \$15,000 per campus

New mandates including armed security guard on every campus, mental health training, additional safety standards, etc.

Coppell ISD will receive approximately \$367,000 in school safety funding. In 22-23, paid \$475,000 for campus resource officers and deputies. This cost will increase with the addition of guards on every campus and the state safety allotment is inadequate to cover it.





State's three main priorities regarding schools:

## **School choice** - Legislature locked in a battle over school vouchers

- HB100 school funding bill was tied to educational savings accounts and did not pass
- No increase to the basic allotment
- No additional funding for teacher compensation as recommended by the Teacher Vacancy Task Force
- No additional funding for special education costs as recommended by the Commission on Special Education Funding
- \$4 Billion in the State budget for school funding unavailable until bills are passed to authorize spending

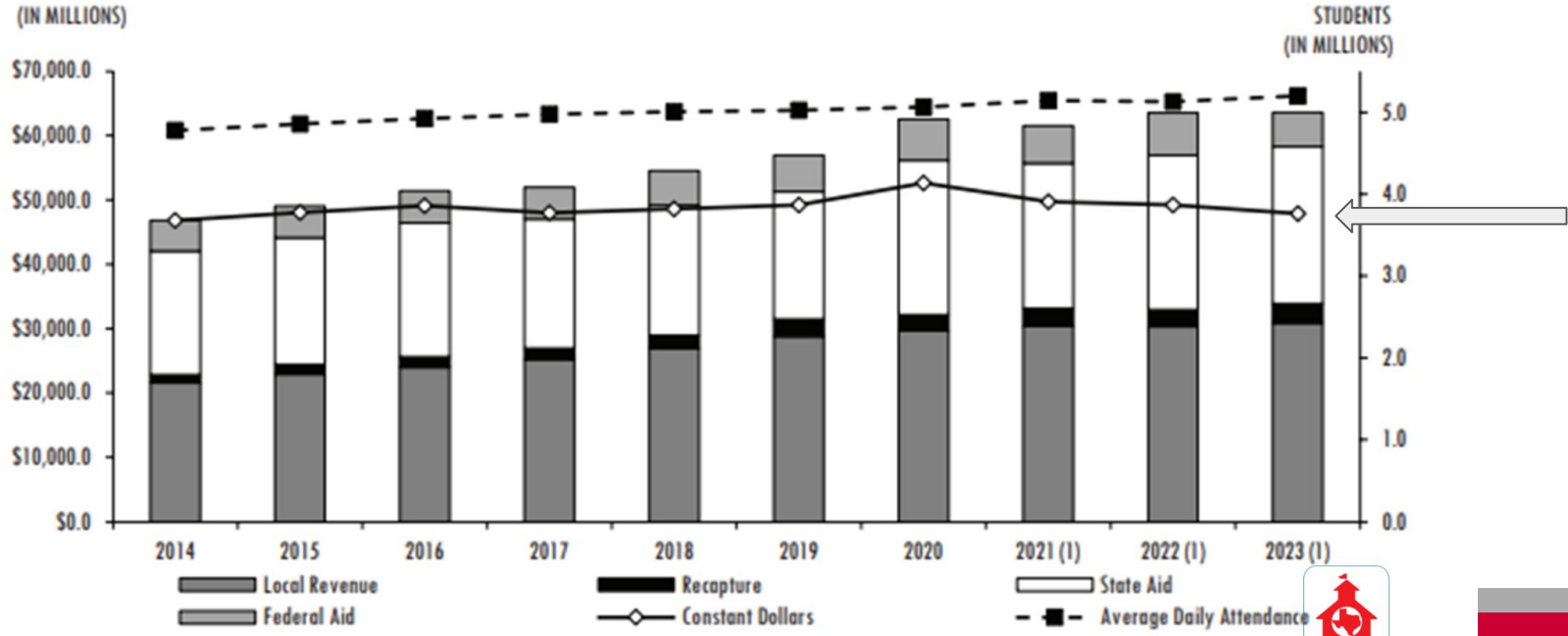
Coppell ISD provided a cost-of-living increase for teachers and staff despite lack of new funding. Absorbing increased operating costs due to inflation.



# 88th Legislative Results: The state of school funding in Texas



**FIGURE 154**  
**PREKINDERGARTEN TO GRADE 12 TEXAS EDUCATION AGENCY FUNDING IN ACTUAL AND CONSTANT DOLLARS**  
**FISCAL YEARS 2014 TO 2023**



Source: Legislative Budget Board





The state “budget” includes new funding for schools, but without spending bills it cannot be distributed to schools.

## 88<sup>th</sup> Regular Session Update – New Total Funding (in millions)

### New Net Funding for Public Education – Appropriated & Issued

Restored from Prior Years

#### Recurring Funding Increases:

Increase to Instructional Materials & Technology Allotment (IMTA)	\$ 621	GAA III TEA Rider B
Increase to entitlements & LEA grants for SBOE-Approved Instructional Materials	500	GAA IX 18.78
Increase to FSP payments & technical supports for school safety	300	GAA IX 18.78
Increase in Golden Penny Yield	2,367	GAA IX 18.78
Increase for New Instructional Materials Allotment (NIFA)	60	GAA IX 18.78
Increase subsidy for public school employee retirement payroll taxes	673	GAA III TRS A.1.1

#### New One-time Funding:

School safety grants	\$ 1,100	SB30 4.02
Subsidy for ActiveCare	589	GAA III TRS A.3.1
K-12 cybersecurity initiative	55	GAA III TEA B.3.5

\$6.38 new funds fully approved

### New Net Funding for Education – Appropriated & Contingent

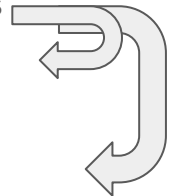
#### Recurring Funding Increases:

FSP & grant increases for teacher pay, special education, and finance generally	\$ 3,997	GAA IX 18.78
Virtual school grant support	49	GAA IX 18.78
School Choice	500	GAA IX 18.78

### New State Share Increases for Public Education

#### Recurring Funding Increases:

Property tax reductions – Appropriated & issued	\$ 5,305	GAA IX 18.79
Property tax reductions – Appropriated & contingent	12,295	GAA IX 18.79





## NEW:

- Increase in the Golden Penny Yield from \$98.56 to \$126.21 per WADA
- One-time school safety grants - application cycle in January/February 2024
- Increase for SBOE-Approved instructional materials
- Increase in school safety allotment from \$9.72 to \$10 per ADA + \$15,000 per campus
- Property tax reductions: increase in homestead exemption to \$100k, reduction of recapture

## RESTORED WHAT HAD BEEN REMOVED:

- Instructional Materials & Technology Allotment ~\$1.2M per year



## 2-year Budget Planning: 2024-25 & 2025-26



- Limited new funding including new mandated spending
- No increase to the basic allotment
- District enrollment has “peaked” and will decline slightly in the coming years
- *Elementary* enrollment declining, Kindergarten cohort lower than graduating senior cohort. Will impact middle school enrollment in 2028/29.
- Ways to adjust overall spending to compensate for inflation and lack of new state funding
- Focus on Board priorities



## 2024-25 Board Budget Priorities



- Remain a leader in Salary/Benefits; Employee Retention
- Educator support positions & training
- Evaluate program effectiveness; offer choice programs; efficient operating costs
- Open enrollment expansion
- Use fund balance



# Budget Planning Calendar: 2024-25 & 2025-26



- January 22 Board meeting:
  - mid-year update on 23/24 budget
  - Update on legislative action impacting school funding
- February 5 Board workshop:
  - 2-year budget planning - 2024/25 & 2025/26
- May 13 Budget Workshop - First Draft General Operating Budget
- June 10 Budget Workshop - Second Draft General Operating, Food Service budgets
- July 25 Certified Taxable Assessed Property Values released
- August Budget Workshop - Final General Operating budget, Food Service and Debt Service budgets
- August Board Meeting - Adoption of budgets and tax rate