Killeen
Independent School District

FISCAL YEAR 27 BUDGET UPDATE

July 28, 2026

www.killeenisd.org/budgetplanning

DISCUSSION TOPICS

✓ Prior Meetings – Key Revenue and Expenditure Drivers

- Declining Revenues - Average Daily Attendance, Impact Aid, & SHARS
- Alignment with Board Adopted Priorities
- Projected General Fund Budget for FY27
- ADA Discussion
- 3-2-1 Property Tax Early Payment Discount
- Vacancy Factor Options
- Fund Balance Discussion
- General Pay Increase Discussion

✓ Tonight's Meeting

- Working Budget Review
- General Pay Increase Discussion

GENERAL FUND
BUDGET ASSUMPTIONS

REVENUES

M&O tax rate of $0.6682 for FY26; current M&O tax rate of $0.6682 for FY25, $0.6692 for FY24
Receive Certified Bell County Appraisal District (BellCAD) Values in late July
Homestead Exemption of $140,000 ($140,000 in FY26, $100,000 in FY 25, $100,000 in FY 24)
Budgeted property tax collections at 99% (99% in FY26)
Maintain early payment property tax discount (3-2-1 discount)
Investment revenue expected to remain flat or decrease slightly
State revenue based on projecting 93.25% Average Daily Attendance (ADA)
Impact Aid federal revenue $5mm decrease based on FY25 letter from Department of Education ($10mm decrease in FY26)

EXPENDITURES

Payroll costs will be based on initial approved staffing guidelines
General pay increase for employees
Starting teacher pay of $59,160 ($59,160 in FY26, $58,000 in FY25, $57,000 in FY24)
Longevity stipends at FY26 criteria
Health insurance benefit of $425 per month if taking KISD insurance and $200 per month cash in lieu for those not taking KISD insurance
Teacher staffing based on student projections at 24:1 for PK-4; 28:1 for grades 5-12
Student projections of 40,726 (decline of 5.49%) from prior year 43,094 (FY25 44,353)
Eliminating PK3 program at on-post elementary schools
Maintaining 1.0/2.0 mile walk out for transportation routes
Teacher supply reimbursement remaining at $200 per classroom teacher
Unfilled Positions (Vacancy) factor for FY27 at 97.5% (95% in FY26)

Transfers:

Maintaining Capital Improvement Projects at 1.25% of budgeted expenditures, budgeted as part of the Strategic Facilities Plan for FY27

GENERAL FUND

PROJECTED FY 27 BUDGET

FY27 Budget Summary
General Fund (In Millions)
July 14, 2026

Working Revenues	$506.60
Working Expenditures	($516.50)
ADA Recommendation (93.25%)	$3.50
Vacancy Factor Adjustment (7.5%)	$9.90
GPI Recommendation (1% GPI + $50/mo)	***($6.60)***
Total Working Change to Fund Balance	**($3.10)**

- TIER I INSTRUCTION & TARGETED PD
  - Two Additional Contract Days for Teachers
  - Campus Instructional Coaches elevated to Campus Instructional Specialists
  - Additional District Instructional Coaches
  - Additional Executive Directors of Schools
- ACCELERATE MIDDLE SCHOOL ACHIEVEMENT
  - Middle School Block Scheduling
  - Additional Instructional/Admin Support at plurality schools
- SPECIALIZED LEARNING
  - Specialized Learning Department Reorganization per audit recommendations
  - Special Education Facilitators to Assistant Principal Role
  - Special Education Additional staffing to support programs
- SAFETY & SECURITY
  - Student Services Department Reorganization to support additional duties
  - School Resource Officers at On-Post Schools
  - School Bus Seat Belts (Approx. 1/3 of bus fleet)
  - Smart Tag - monitor student ridership by student

HISTORICAL GENERAL PAY INCREASES

Year	Teachers Minimum	Teachers Maximum	Nurses, Librarians & Counselors	Administrators	Auxiliary	Teacher Starting Pay
2025-26**	2.00%	$5,000	2.00%	2.00%	3.00%	$59,160
2024-25	3.00%	3.00%	3.00%	3.00%	4.00%	$58,000
2023-24	2.25%	2.25%	2.25%	2.25%	2.25%	$57,000
2022-23	8.00%	8.00%	6.00%	6.00%	6.00%	$56,160
2021-22	3.50%	3.50%	3.50%	3.50%	3.50%	$52,000
2020-21	none	none	none	none	none	$50,300
2019-20*	6.60%	10.00%	4.50%	3.00%	6.00%	$50,300
2018-19	2.00%	2.00%	2.00%	2.00%	2.00%	$47,000
2017-18	2.50%	2.50%	2.50%	2.50%	2.50%	$46,500
2016-17	2.50%	2.50%	2.50%	2.50%	2.50%	$45,575
2015-16	3.00%	3.00%	3.00%	3.00%	3.90%	$45,000
2014-15	2.00%	2.00%	2.00%	2.00%	2.00%	$43,500
2013-14	2.75%	2.75%	2.75%	2.75%	2.75%	$43,000

* minimum teacher increase in 2019-2020 was 6.6% and ranged up to 10%
CDL drivers 8.00%

** 2% for exempt and 3% for nonexempt
$2,500 for sped eval staff, principals, AP's, & deans of instruction
$2,500 for teacher w/ 3-4 yrs exp, $5,000 for teacher w/ 5+ yrs exp (per HB2)
Increase health contribution to $425 (was $400)

GENERAL PAY INCREASE
DISCUSSION

GENERAL FUND ONLY

	Option	Amount
*	1% All Employees, $14/hr minimum keeping stratification	$ 3,898,746
*	$50/month ($600 annually) All Employees *(matches health insurance cost increase)*	$ 3,472,525
	1% All Employees *Non -Exempt Staff $2,524,290* *Exempt Staff $641,200*	$ 3,165,490
	2% All Employees *Non -Exempt Staff $5,048,580* *Exempt Staff $1,282,400*	$ 6,330,980
	One-Time Retention Payment $500 **Net** Check *Non -Exempt Staff $2,292,627* *Exempt Staff $2,536,259*	$ 4,828,886

Note: Pay increases for employees funded outside the General Fund will be charged to their respective funds.

*** Administrative Recommendation**

GENERAL FUND

PROJECTED FY 27 BUDGET

FY27 Budget Summary
General Fund (In Millions)
July 28, 2026

Working Revenues	$506.6
Working Expenditures	**($515.7)**
ADA Recommendation (93.25%)	$3.5
Vacancy Factor Adjustment (7.5%)	$9.9
* GPI Recommendation (1% GPI, $14/hr min, + $50/mo) **$14/hr minimum keeping stratification, 1% All Employees + $50/month ($600 annually)**	($7.4)
Total Working Change to Fund Balance	**($3.1)**

*** Administrative Recommendation**

FY27 Budget Summary **General Fund (In Millions)** **Additional GPI Options**	**2% All Employees**	**1% All Employees + $50 per month**	**1% All Employees**
Working Revenues	$ 506.6	$ 506.6	$ 506.6
Working Expenditures	$ (515.7)	$ (515.7)	$ (515.7)
ADA Recommendation (93.25%)	$ 3.5	$ 3.5	$ 3.5
Vacancy Factor Adjustment (7.5%)	$ 9.9	$ 9.9	$ 9.9
General Pay Increase	$ (6.3)	$ (6.6)	$ (3.2)
Total Working Change to Fund Balance	**$ (2.0)**	**$ (2.3)**	**$ 1.1**

NEXT STEPS

Activity
GPI scenarios discussion
Finalize compensation decisions
Chief Appraiser provides certified appraised property value
Discussion of property values and tax rates (FIRST rating compliance item)
Move final salaries from proposal into budget planning worksheet
Submit Local Value Study to State Comptroller for Maximum Compressed Rate (MCR) calculations
Balance Special Programs funding to ensure compliance with spending percentage requirements
Verify compliance with Maintenance of Effort (MOE)
Finalize preliminary proposed budgets, tax rates and updated assumptions
Publish Notice of Budget and Tax Rate Meeting (must be 10-30 days before the date of the public hearing) in the newspaper
Post a summary of the proposed budgets and tax rates on district's website
Finalize proposed budgets and tax rates (budget must be adopted before the adoption of the tax rate)

BUDGET ADOPTION DATES

Activity	Date
Chief Appraiser provides certified property values	07/25/26
Approve GPI	07/28/26
Approved Maximum Compressed Rate (MCR) expected from TEA	08/05/26
Present near-final proposed budgets, near-final tax rates and assumptions	08/11/26
Publish Notice of Budget and Tax Rate Meeting (must be 10-30 days before the date of the public hearing) in the newspaper	08/12/26
Post a summary of the proposed budgets and tax rates on district's website	08/12/26
Meeting to vote to adopt proposed budgets and tax rates (budget must be adopted before the adoption of the tax rate)	08/25/26
First day of 2026-2027 fiscal year	09/01/26

THANK YOU!

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