

Agenda of Public Hearing

The Board of Trustees Florence Independent School District

A Public Hearing of the Board of Trustees of Florence Independent School District will be held August 18, 2025, beginning at 6:30 PM in the Florence High School Library, 401 FM-970, Florence, TX 76527.

Videoconference Notice: A quorum of the Board of Trustees will be physically present at the Florence High School Library, 401 FM 970, Florence, Texas 76527, and it is the intent to have a quorum of the Board present at that location. Pursuant to Texas Government Code 551.127 if a quorum of the Board is physically present at the designated location, other Trustees may attend and participate in this meeting via videoconference.

In accordance with the Texas Open Meetings Act, the board may enter into closed session at any time during deliberations pursuant to TOMA Governance Code Sections.

- 551.071 (consultation with attorney):
- 551.072 (deliberation regarding real property):
- 551.073 (deliberation regarding prospective gift):
- 551.074 (personnel matters):
- 551.076 (deliberation regarding security devices):
- 551.082 (discipline of student or complaints against employees):
- 551.083 (consultation with representative of employee group): and
- 551.084 (excluding witnesses from board investigation):

When appropriate the board may provide a brief clarification of board actions (not exceeding five minutes) immediately prior to closed session and/or prior to adjournment.

The subjects to be discussed or considered or upon which any formal action may be taken are listed below. Items do not have to be taken in the same order as shown on this meeting notice.

- I. **Call to Order**
- II. **Public Hearing**
 - II.A. Public Hearing to Discuss the 2025-2026 Budget and Proposed Tax Rate
Presenter: Eric Banfield
- III. **Adjournment**



2025 - 2026 School Year

Budget Update

August 18, 2025

Objectives

- ▣ **Budget Priorities -Vision, Mission**
- ▣ **Legislative Notes & Revenue**
- ▣ **Summary of Proposed Budget for Adoption**
- ▣ **General Fund**
- ▣ **Child Nutrition Fund**
- ▣ **Debt Service Fund**
- ▣ **Public Hearing & Tax Rate Proposal Notes**
- ▣ **Discussion**

Budget Priorities

Strategic Plan

Vision:

Florence ISD inspires excellence and empowers each student to achieve their highest potential.

Mission:

Florence I.S.D. is a collaborative partnership of dedicated students, staff, families, and community members. We provide a safe, engaging learning environment with equitable support, high expectations, and diversified instruction. We build a strong foundation for life-long learning, preparing all students for a successful future.

Community Beliefs

Strategic Plan

- ▣ **By 2028, 100% of instruction in all Florence ISD classrooms will be highly effective.**
- ▣ **By 2028, 100% of Florence ISD students will have equitable access to high-quality curriculum, instructional materials, and assessments to accomplish their post-secondary goals.**
- ▣ **By 2028, 100% of Florence ISD staff will be highly effective, well-supported, and invested.**
- ▣ **By 2028, 100% of Florence ISD students, staff, families, and community members will be supported and included.**

Legislative Notes

Increases to State Funding Include:

Teachers: Pay raises of \$4,000 [3/4yrs] and \$8000 [5+yrs] Approximately \$552,000

Support Staff: Retention \$52,000

Additional Funding:

- ▣ \$ 65,000-Safety
- ▣ \$ 30,000-SPED Evaluations(Subject to Statewide totals.)
- ▣ \$120,000-Basic Costs by enrolled students.
- ▣ \$250,000-Small&Mid-sized Adjustment
- ▣ \$ 70,000-Net of Golden Penny / Other PRGM Allotments

Legislative Notes

- ▣ The TRE Golden Penny rate was capped this session. The cost to the District was more than the increase to the BA general revenue. The copper penny yield has remained fixed at the \$49.72 amount.
- ▣ Vouchers and Home School payments were passed early in the session.
- ▣ Safety continues to be a focus, but the increase to the allotment does not pay the cost for our SRO program.
- ▣ The Early Education Allotment funds will be recalled by the State and redistributed to address Pre-K costs in more specifically.

Legislative Notes

- ▣ **Senate Bills from the last session compressing the frozen taxes paid by taxpayers aged 65 and above, reduced frozen collections by about half. Further adjustment to frozen collections will be made as a result of action taken this session.**
- ▣ **State hold-harmless payments will make up for the reduced collections**
- ▣ **The tax rate compression generally does not keep up with the increasing property values.**

2025 - 2026 School Year Revenue Assumptions

- ▣ The 2025 Estimated Tax Values (Freeze Adjusted) are at approximately \$ 1,167,733,213 (19.1% increase over the prior year @ the 140K HS exemption).
- ▣ Preliminary values from April totaled \$1,214,887,700. (\$100K exemption)
- ▣ M&O tax rate compressed to \$0.7072 from \$0.7552. M&O and I&S budgeted collections on levy are projected using a 99.5% collection rate (including delinquent taxes)
- ▣ I&S tax rate proposed at \$0.3110 from \$0.3490

M&O TAX RATE PER \$100 VALUE	\$	0.7072	Values	Levy Calculation
FREEZE ADJUSTED TAXABLE VALUE/WILLIAMSON CNTY			1,033,993,176	7,418,473
FREEZE ADJUSTED TAXABLE VALUE/BELL CNTY			133,740,037	1,187,016
TAXABLE VALUE UNDER ARB REVIEW			56,791,506	
TOTAL M&O TAX LEVY:	=		\$ 1,167,733,213	\$ 8,605,489
PROJECTED COLLECTION RATE:				99.5%
TAX @ COLLECTION RATE:	=			Collections \$ 8,562,461
PENALTIES & INTEREST:	+			\$ 80,000
PROJECTED M & O TAX REVENUE:				\$ 8,642,461
I&S TAX RATE PER \$100 VALUE	\$	0.3110	Values	Levy Calculation
FREEZE ADJUSTED TAXABLE VALUE/WILLIAMSON CNTY			1,033,993,176	3,262,366
FREEZE ADJUSTED TAXABLE VALUE/BELL CNTY			133,740,037	522,005
TAXABLE VALUE UNDER ARB REVIEW			56,791,506	
TOTAL I&S TAX LEVY:	=		\$ 1,167,733,213	\$ 3,784,371
PROJECTED COLLECTION RATE:	X			99.5%
TAX @ COLLECTION RATE:	=			Collections \$ 3,765,449
PENALTIES & INTEREST:	+			\$ 10,000
PROJECTED I & S TAX REVENUE:				\$ 3,775,449
TOTAL TAX LEVY:				\$ 12,389,860
Total Collections				\$ 12,327,910
Total Tax Revenue with P&I				\$ 12,417,910

2025 - 2026 School Year Revenue Assumptions

▣ State M&O Revenue:

Local Property Tax Revenue = \$8,637,461

State Funding = \$7,462,639

State Facilities Funding = \$ 285,000

▣ Other Local Revenue:

Interest, Gate Receipts, Meat Lab, Other
= \$ 434,501

Florence ISD - 2025-2026 School Year				
Budget Totals	Fund 199	Fund 240	Fund 599	
	General Fund	Child Nutrition	Debt Service	
Revenues-By Object				
Local Sources	\$ 9,071,961	\$138,000	\$3,802,372	
State Sources	\$ 8,166,869	\$35,000	\$285,000	
Federal Sources	\$ 0	\$748,447	\$0	Revenue
Total Revenues	\$ 17,238,830	\$921,447	\$4,087,372	\$ 22,247,649
Expenditures-By Function				
11-Instruction	\$ 8,655,468			
12- Instructional Resources & Media Ser	\$ 196,879			
13- Curriculum & Staff Development	\$ 310,972			
21- Instructional Leadership	\$ 444,917			
23- School Leadership	\$ 1,095,113			
31- Guidance, Counseling, & Evaluation S	\$ 454,432			
32- Social Work Services	\$ 5,500			
33- Health Services	\$ 187,951			
34- Student Transportation	\$ 788,011			
35- Child Nutrition	\$ -	\$951,447		
36- Cocurricular / Extracurricular	\$ 812,741			
41- General Administration	\$ 965,473			
51- Plant Maintenance & Operations	\$ 2,351,728			
52- Security & Monitoring Services	\$ 300,084			
53- Data Processing Services	\$ 290,756			
61- Community Services	\$ -			
71- Debt Service	\$ 203,805		\$4,087,372	
81- Facilities Construction	\$ -			
91- Payments to TEA	\$ 70,000			
95- Payments to JJAEP	\$ 25,000			
99- Intergovernmental Charges	\$ 80,000			Expenditure
Total Expenditures	\$ 17,238,830	\$951,447	\$4,087,372	\$ 22,277,649
Difference In Revenues and Expenditures				
	\$ -	\$ (30,000)	\$ -	
Operating Transfers				
Other Resources / NIFA	\$ -	\$ -	\$ -	
Other Uses	\$ -	\$ -	\$ -	
Total Transfers	\$ -	\$ -	\$ -	
Difference In Revenues/Resources & Expenditures/Uses				
	\$ -	\$ (30,000)	\$ -	
Fund Balance - September 1				
	\$ -	\$ 60,000	\$ -	
Fund Balance, Ending				
	\$ -	\$ 30,000	\$ -	

General Fund

▣ Key Items of Note

- Inflationary price increases for personnel and other costs have increased dramatically, without a corresponding increase in state aid on a per pupil basis.
- The increase to state aid for school district operations was minimal and will help only in the short term, current biennium.
- A balanced budget is projected for the 2025-26 School year.
- The District should receive over \$500,000 in one time NIFA funds for the new elementary (\$1000 per ADA for the first year.)

General Fund

- ▣ **General Fund Budget Total- \$17,238,830**
 - **Salary increases are considered to be a '0%' of midpoint for current personnel, with market/equity adjustments. A 4 / 5⁰% increase TASB model was approved.**
 - **ADA for M&O State Funding is budgeted at 1,050**
 - **District Contribution for Health Insurance remains the same at \$445 for the 2026 school year.**

**Florence ISD - 2025-2026 School Year
General Fund 199 Budget Comparison**

	Annual Budget Adopted 2024-2025	Proposed 2025-2026	Difference	Percent Increase
Revenues-By Object				
Local Sources	\$ 8,183,690	\$ 9,071,961	\$ 888,271	10.9%
State Sources	\$ 7,243,429	\$ 8,166,869	\$ 923,440	12.7%
Federal Sources	\$ 0	\$ 0	\$ -	0.0%
Total Revenues	\$ 15,427,119	\$ 17,238,830	\$ 1,811,711	11.7%
Expenditures-By Function				
11-Instruction	\$ 8,110,351	\$ 8,655,468	\$ 545,117	6.7%
12- Instructional Resources & Media Services	\$ 183,086	\$ 196,879	\$ 13,793	7.5%
13- Curriculum & Staff Development	\$ 305,661	\$ 310,972	\$ 5,311	1.7%
21- Instructional Leadership	\$ 492,496	\$ 444,917	\$ (47,579)	-9.7%
23- School Leadership	\$ 1,014,398	\$ 1,095,113	\$ 80,715	8.0%
31- Guidance, Counseling, & Evaluation Services	\$ 431,788	\$ 454,432	\$ 22,644	5.2%
32- Social Work Services	\$ 5,500	\$ 5,500	\$ -	0.0%
33- Health Services	\$ 177,875	\$ 187,951	\$ 10,076	5.7%
34- Student Transportation	\$ 757,919	\$ 788,011	\$ 30,092	4.0%
35- Child Nutrition	\$ -	\$ -	\$ -	
36- Cocurricular / Extracurricular	\$ 734,382	\$ 812,741	\$ 78,359	10.7%
41- General Administration	\$ 944,034	\$ 965,473	\$ 21,439	2.3%
51- Plant Maintenance & Operations	\$ 2,043,917	\$ 2,351,728	\$ 307,811	15.1%
52- Security & Monitoring Services	\$ 81,400	\$ 300,084	\$ 218,684	268.7%
53- Data Processing Services	\$ 302,575	\$ 290,756	\$ (11,819)	-3.9%
61- Community Services	\$ -	\$ -	\$ -	
71- Debt Service	\$ 203,300	\$ 203,805	\$ 505	0.2%
81- Facilities Construction	\$ -	\$ -	\$ -	
91- Payments to TEA	\$ 60,000	\$ 70,000	\$ 10,000	
95- Payments to JJAEP	\$ 25,000	\$ 25,000	\$ -	0.0%
99- Intergovernmental Charges	\$ 70,000	\$ 80,000	\$ 10,000	14.3%
Total Expenditures	\$ 15,943,682	\$ 17,238,830	\$ 1,295,148	8.1%
Operating Transfers				
Other Resources / NIFA	\$ -	\$ -		
Other Uses	\$ -	\$ -		
Total Transfers	\$ -	\$ -		
Difference In Revenues/Resources & Expenditures/Uses				
	\$ (516,563)	\$ 0		
Fund Balance - September 1				

State Funding Current Year Values / Other

Statutory Requirements:

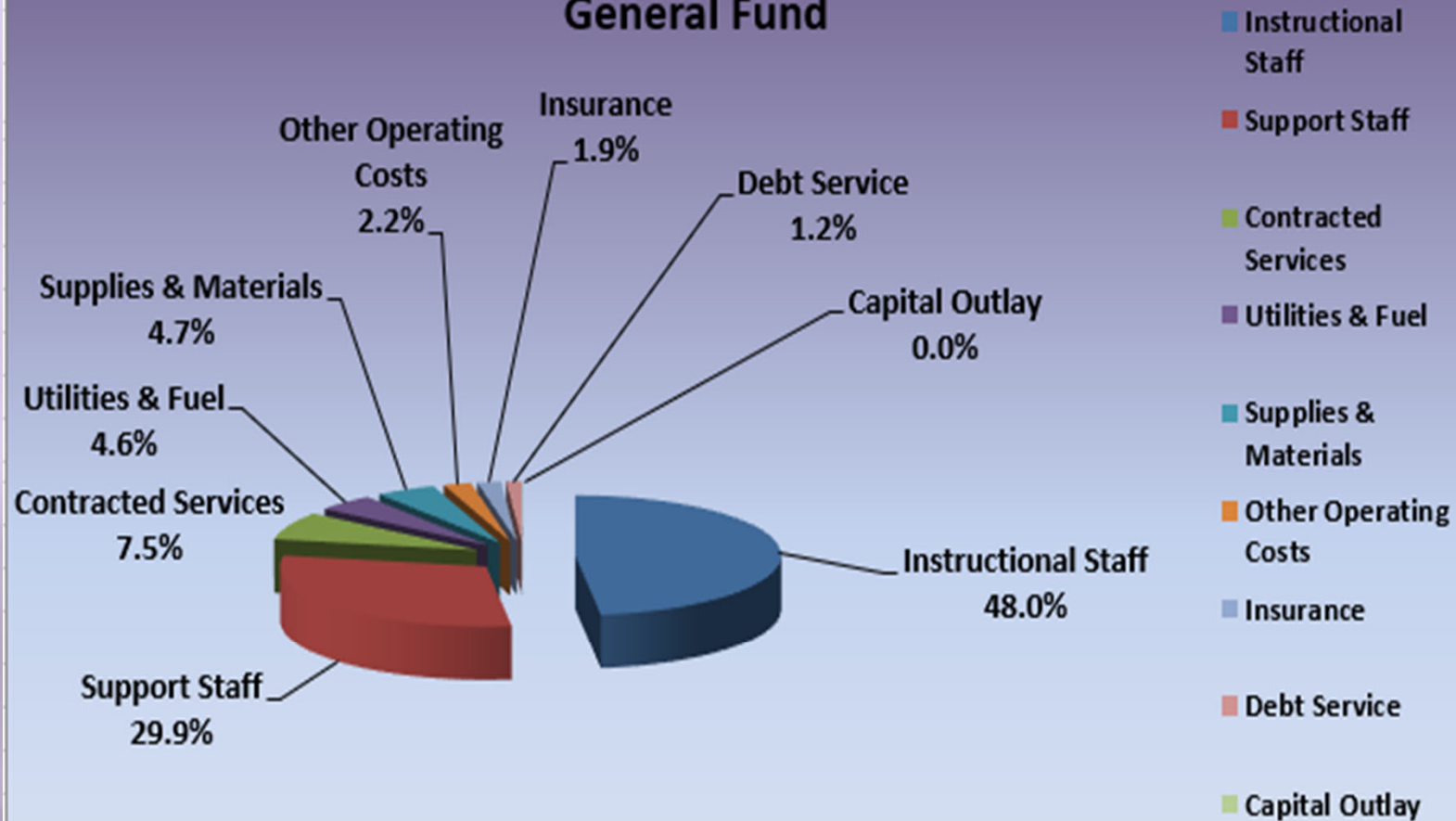
- ▣ A district that is required to provide accelerated instruction under Texas Education Code section 29.081(b-1) must separately budget sufficient funds, including funds under the Compensatory Education allotment, for that purpose. The District's projected expenditure requirement for this program is \$575,000
- ▣ Budget line items indicating expenditures for:
 1. the publication of legally-required newspaper notices (ie: budget and proposed tax-rate notice) \$1,950 total
 2. And directly or indirectly influencing or attempting to influence the outcome of legislation or administrative action (A portion of the TASB/TASBO membership dues). \$1,000 total

State Funding Current Year Values / Other

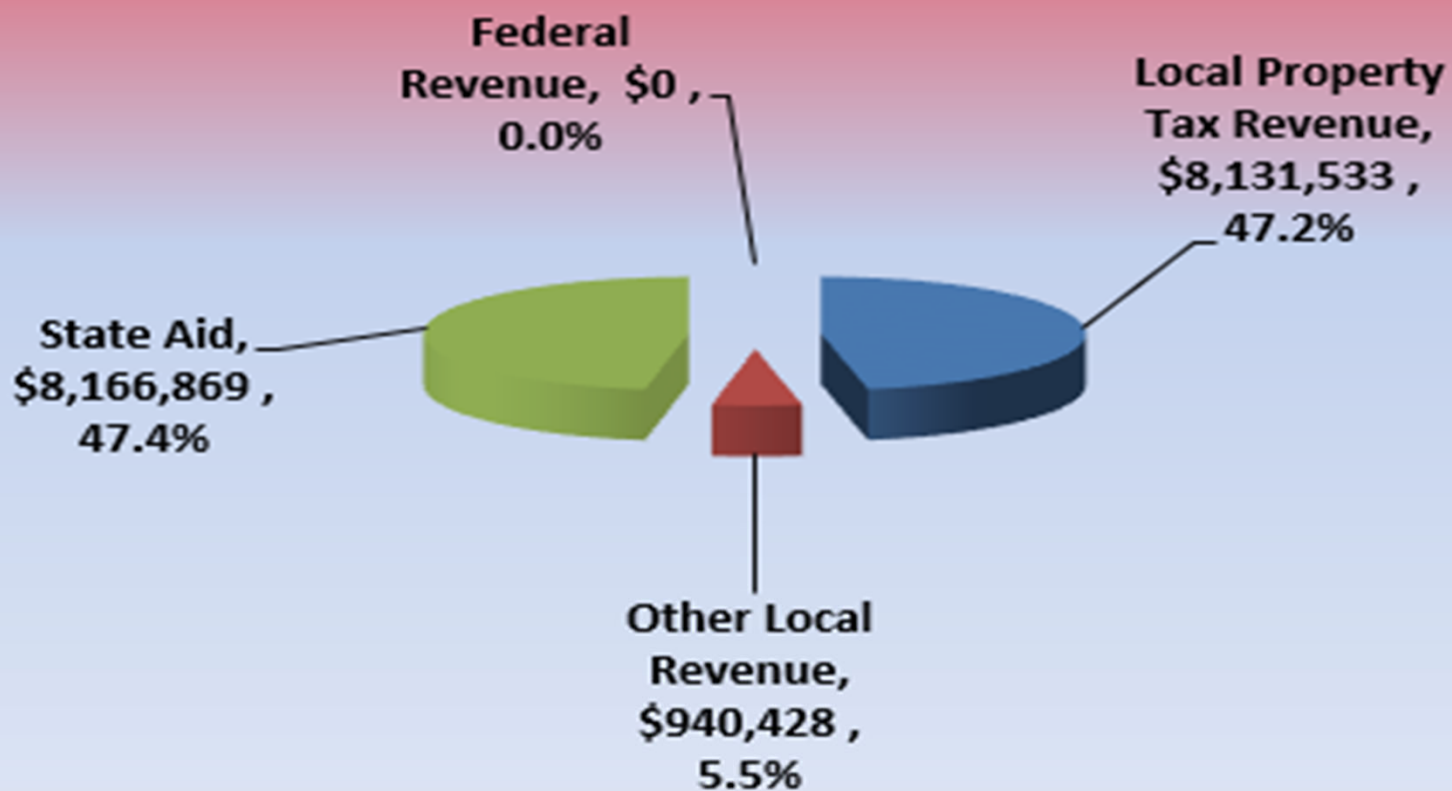
- **The prior year property value lag for state funding was changed previously to use the current year 2025 tax value. Previously the value for state funding would have been the 2024 prior tax year value.**
- **The current year value for 2025-2026 state funding purposes will be the 2025 tax year value, the same value we are collecting taxes on for the new school year.**
- **ESSER and other COVID funding sources ended with the prior 2023-2024 school year.**

GENERAL FUND - 199	Major Object							
Function	6100 - Payroll	6200 - Services	6300 - Supplies	6400 - Other	6500 - Debt	6600 - Capital Outlay	Total by Function	Percent by Function
11-Instruction	7,875,167	402,509	293,792	84,000		0	8,655,468	50.2%
12- Instructional Resources & Media Services	165,654	0	30,475	750		0	196,879	1.1%
13- Curriculum & Staff Development	237,672	36,500	10,800	26,000		0	310,972	1.8%
21- Instructional Leadership	426,867	0	14,600	3,450		0	444,917	2.6%
23- School Leadership	1,050,263	0	24,050	20,800		0	1,095,113	6.4%
31- Guidance, Counseling, & Evaluation Services	395,436	14,600	39,876	4,520		0	454,432	2.6%
32- Social Work Services	0	2,500	1,700	1,300			5,500	0.0%
33- Health Services	175,591	160	10,500	1,700		0	187,951	1.1%
34- Student Transportation	678,536	36,475	165,500	-97,500		5,000	788,011	4.6%
35- Child Nutrition							0	0.0%
36- Cocurricular / Extracurricular	463,366	75,450	80,650	193,275		0	812,741	4.7%
41- General Administration	664,978	171,050	43,000	86,445		0	965,473	5.6%
51- Plant Maintenance & Operations	1,095,728	802,250	161,000	292,750		0	2,351,728	13.6%
52- Security & Monitoring Services	46,924	247,160	5,000	1,000		0	300,084	1.7%
53- Data Processing Services	157,330	82,101	43,800	7,525		0	290,756	1.7%
61- Community Services	0	0	0	0			0	0.0%
71- Debt Service					203,805		203,805	1.2%
81- Facilities Construction		0	0			0	0	0.0%
91- Payments to TEA				70,000			70,000	0.4%
95- Payments to JJAEP		25,000					25,000	0.1%
99- Intergovernmental		80,000					80,000	0.5%
Total by Major Object	13,433,512	1,975,755	924,743	696,015	203,805	5,000	17,238,830	100%
Percent by Major Object	77.9%	11.5%	5.4%	4.0%	1.2%	0.0%		

Florence ISD Budget By Major Category General Fund



Florence ISD Revenue by Source General Fund



Child Nutrition Fund

▣ **Child Nutrition Budget**

- Increase costs due to inflation without a corresponding increase the federal reimbursement rates will make it a challenge to fully fund the program with revenues. The program has created balances by using grant funding that will supplement the program.

▣ **Key Items of Note**

- The District is participating in the CEP program which provides free meals for all students.

Florence ISD - 2025-2026 School Year
Child Nutrition Fund 240 Budget Comparison

	Annual Budget Adopted 2024-2025	Proposed 2025-2026	Difference	Percent Increase
Revenues-By Object				
Local Sources	\$ 130,000	\$ 138,000	\$ 8,000	6.2%
State Sources	\$ 35,000	\$ 35,000	\$ -	0.0%
Federal Sources / Grants	\$ 816,000	\$ 748,447	\$ (67,553)	-8.3%
Total Revenues	\$ 981,000	\$ 921,447	\$ (59,553)	-6.1%
Expenditures-By Object				
35- Child Nutrition	\$ 1,010,000	\$ 951,447	\$ (58,553)	-5.8%
Total Expenditures- Function 3	\$ 1,010,000	\$ 951,447	\$ (58,553)	-5.8%
Operating Transfers				
Other resources	\$ 29,000	\$ -		
Other uses	\$ -	\$ -		
Total Transfers	\$ 29,000	\$ -		
Difference In Revenues/Resources & Expenditures/Uses				
	\$ -	\$ (30,000)		
Fund Balance - September 1	\$ -	\$ 60,000		
Fund Balance, Ending	\$ -	\$ 30,000		

Debt Service Fund

▣ Debt Service Budget

▪ I&S Budget

- ▣ The 2026 FY tax rate is estimated at \$0.3110 to pay debt service, including the new bond issues.

2026 FY 0.3110

2025 FY 0.3490

2024 FY 0.3490

2023 FY 0.3420

2022 FY 0.1640

2021 FY 0.2340

Recent property tax reduction legislation will increase the state hole-harmless payment for debt service tax collections.

Florence ISD - 2025-2026 School Year**Interest & Sinking, Debt Service Fund 599 Budget Comparison**

	Annual Budget Adopted 2024-2025	Proposed 2025-2026	Difference	Percent Increase
Revenues-By Object				
Local Sources	\$ 3,448,134	\$ 3,802,372	\$ 354,238	10.3%
State Sources	\$ 250,000	\$ 285,000	\$ 35,000	14.0%
Federal Sources			\$ -	
Total Revenues	\$ 3,698,134	\$ 4,087,372	\$ 389,238	10.5%
Expenditures-By Object				
Debt Service - Interest & Sinking				
71- Debt Service	\$ 3,698,134	\$ 4,087,372	\$ 389,238	10.5%
Total Expenditures	\$ 3,698,134	\$ 4,087,372	\$ 389,238	10.5%
Operating Transfers				
Other resources	\$ -	\$ -		
Other uses	\$ -	\$ -		
Total Transfers	\$ -	\$ -		
Difference In Revenues/Resources & Expenditures/Uses				
	\$ -	\$ -		
Fund Balance - September 1				
Fund Balance, Ending (Budget Basis)		\$ -		

Public Hearing / Tax Rate Truth In Taxation

Truth-In-Taxation laws have two purposes:

- ▣ **To make taxpayers aware of tax rate proposals**
- ▣ **To allow taxpayers, in certain cases, to roll back or limit a tax increase.**

Public Hearing / Tax Rate Truth In Taxation

For School Districts:

- ▣ **Property owners have the right to know of increases in their properties' appraised value and to be notified of the estimated taxes that could result from the new value.**
- ▣ **A school district must publish its proposed tax rate, VOTER-APPROVAL (rollback) tax rate, and other specific information about its property taxes, including the time and place for the public hearing.**

Public Hearing / Tax Rate Truth In Taxation

▣ **Included in the notice are the:**

***Proposed tax rates:**

0.7072 M&O + 0.3110 I&S = \$1.0182 Total

***Budget comparison to prior yr.,**

***Property value comparison to prior yr.,**

***Outstanding bonded debt,**

***Notice of Voter Approval Rate - \$1.04134**

***Fund balance information**

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

Maintenance Tax \$ 0.707200 /\$100 (Proposed rate for maintenance and operations)

School Debt Service Tax
Approved by Local Voters \$ 0.315000 /\$100 (proposed rate to pay bonded indebtedness)

Comparison of Proposed Budget with Last Year's Budget

The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories:

Maintenance and operations	<u>10.323</u>	% increase	or	<u> </u>	% (decrease)
Debt service	<u>4.985</u>	% increase	or	<u> </u>	% (decrease)
Total expenditures	<u>5.652</u>	% increase	or	<u> </u>	% (decrease)

Total Appraised Value and Total Taxable Value
(as calculated under Tax Code Section 26.04)

	Preceding Tax Year	Current Tax Year
Total appraised value* of all property	\$ <u>1,267,608,446</u>	\$ <u>1,469,063,307</u>
Total appraised value* of new property**	\$ <u>93,954,540</u>	\$ <u>78,030,037</u>
Total taxable value*** of all property	\$ <u>972,347,214</u>	\$ <u>1,144,384,248</u>
Total taxable value*** of new property**	\$ <u>42,916,086</u>	\$ <u>69,294,531</u>

* "Appraised value" is the amount shown on the appraisal roll and defined by Tax Code Section 1.04(8).

** "New property" is defined by Tax Code Section 26.012(17).

*** "Taxable value" is defined by Tax Code Section 1.04(10).

Bonded Indebtedness

Total amount of outstanding and unpaid bonded indebtedness* \$ 55,715,000

* Outstanding principal.

Comparison of Proposed Rates with Last Year's Rates

	<u>Maintenance & Operations</u>	<u>Interest & Sinking Fund*</u>	<u>Total</u>	<u>Local Revenue Per Student</u>	<u>State Revenue Per Student</u>
Last Year's Rate	\$ 0.755200	\$ 0.349000 *	\$ 1.104200	\$ 10,536	\$ 5,885
Rate to Maintain Same Level of Maintenance & Operations Revenue & Pay Debt Service	\$ 0.654900	\$ 0.356020 *	\$ 1.010920	\$ 11,041	\$ 5,887
Proposed Rate	\$ 0.707200	\$ 0.315000 *	\$ 1.022200	\$ 11,701	\$ 6,654

* The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment, or both. The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.

Comparison of Proposed Levy with Last Year's Levy on Average Residence

	<u>Last Year</u>	<u>This Year</u>
Average Market Value of Residences	\$ 524,717	\$ 558,330
Average Taxable Value of Residences	\$ 230,759	\$ 266,587
Last Year's Rate Versus Proposed Rate per \$100 Value	\$ 1.104200	\$ 1.022200
Taxes Due on Average Residence	\$ 2,548	\$ 2,725
Increase (Decrease) in Taxes		\$ 177

Under state law, the dollar amount of school taxes imposed on the residence homestead of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.

Notice of Voter-Approval Rate: The highest tax rate the district can adopt before requiring voter approval at an election is 1.043134. This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of 1.043134.

Fund Balances

The following estimated balances will remain at the end of the current fiscal year and are not encumbered with or by a corresponding debt obligation, less estimated funds necessary for operating the district before receipt of the first state aid payment:

Maintenance and Operations Fund Balance(s)	\$	4,450,000
Interest & Sinking Fund Balance(s)	\$	275,000

A school district may not increase the district's maintenance and operations tax rate to create a surplus in maintenance and operations tax revenue for the purpose of paying the district's debt service.

Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

Discussion

- ▣ **Questions?**