



**Special Meeting Budget Workshop Agenda
Thursday, February 27, 2025
Cedar Park Middle School Library
2100 Sun Chase Blvd.
Cedar Park, TX 78613
6:15 PM**

The Board meeting protocols are available at <https://bit.ly/3DHAR4v>.

Doors will open to the public at 5:30 PM.

Members of the public may access this meeting via live stream at <https://www.leanderisd.org/boardlivestream>. Please note, this link will not be active until approximately 5 minutes before the scheduled meeting time.

This is a Special Meeting of the Board of Trustees. At Special Meetings, Citizen Comments will be limited to topics listed on the agenda. Citizens wishing to address the Board of Trustees may do so in person at the meeting location noted on the agenda. In order to address the Board, individuals must sign up online at <https://bit.ly/4gGOfJn>, between noon the day prior to the meeting and noon the day of the meeting and be present when their number is called.

Citizens who need special accommodations or assistance with sign-up should contact the office of the Superintendent (512-570-0000) during regular business hours.

The notice of this meeting was posted in compliance with the Texas Open Meetings Act on February 21, 2025, at 1:50 PM.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice. Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. CALL TO ORDER AND DECLARATION OF QUORUM

2. OPENING CEREMONY

- A. Pledge of Allegiance
- B. Moment of Silence

3. RECOGNITION

- A. Spotlight on Learning: Knowles Elementary School

4. CITIZEN COMMENTS

(See the notes at the top of the agenda for instructions on how to sign up and details regarding speaking.)

5. DISCUSSION / ACTION ITEMS

A. OPERATIONS

- 1. Discussion of Leander ISD Pay Systems Review Presentation 3
- 2. Tuition-Based PreK for Non-Qualifying Students in the Leander ISD Attendance Zone 60
- 3. Discussion of Long-Range Planning Framework - Pilot Open Enrollment 69
- 4. Discussion of 2024-2025 Budget Projections 85
- 5. Discussion of the 2025-2026 Budget Development: Potential impacts of budget cuts on district operations, instructional programs, personnel and facilities 92
- 6. Consider Approval of FY 25 Budget Amendment - #8 116

6. CLOSED SESSION

A. Texas Government Code 551.071: consultation with attorney regarding pending or contemplated litigation, and/or attorney client privileged matter

B. Texas Government Code 551.074: personnel - deliberation regarding resignations, terminations, employment, reassignments, duties, and evaluation of personnel and public officers

C. Texas Government Code 551.0821: deliberation regarding matters whereby personally identifiable information regarding one or more students will be disclosed

D. Texas Government Code 551.074: Superintendent Formative Evaluation Quarterly Review

7. ACTION PURSUANT TO CLOSED SESSION

8. BOARD MEETING DEBRIEF

9. ADJOURNMENT

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E or Texas Government Code section 418.183(f). Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting. [See BEC(LLEGAL)]

Leander ISD Board Meeting Agenda Item Information

Meeting Date: Thursday, February 27, 2025

Agenda Item:	Discussion of Leander ISD Pay Systems Review
Purpose (this meeting):	<input checked="" type="checkbox"/> Discussion Item/Report Only <input type="checkbox"/> Action Requested
Administrator Responsible:	Casey O’Pry, Ed.D., Chief Human Resource Officer, Amy Campbell, TASB Director of HR Services
Attachments:	Leander ISD Pay Systems Review Presentation Leander ISD Pay System Review Report

Background Information:

The Leander ISD Board of Trustees requested a third-party review of our salary scales to ensure alignment with comparable markets while maintaining internal equity. Administration contracted with the Texas Association of School Boards (TASB) to conduct this review. Tonight, the Board of Trustees will receive the findings from the review along with recommendations.

Administrative Recommendation:

N/A

Sample Motion:

N/A

Leander ISD

Pay Systems Review



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Amy Campbell
Director, HR Services
February 27, 2025

PURPOSE

The purpose of this presentation is to review and discuss the pay systems review conducted by the Texas Association of School Boards.

TASB Pay Study Process

Data Collection – October/November

Pay data & processes

Kick-off discussions



Market Pay Review – December

Gather market data

Match common jobs



Build Models for Improvement – January/February

Align pay structures

Adjust employee pay

Compensation Concepts

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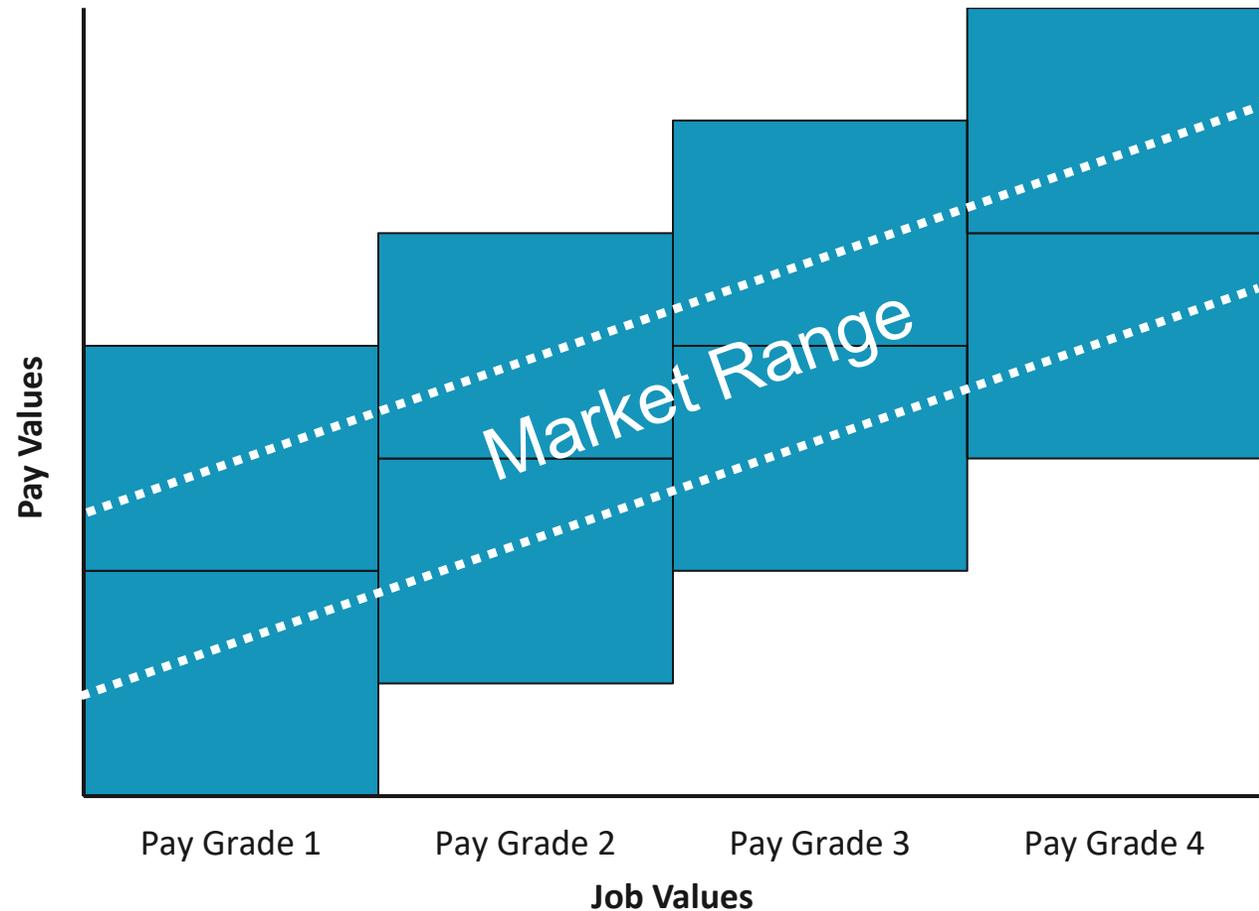
Pay System Controls

Pay Range Control Points

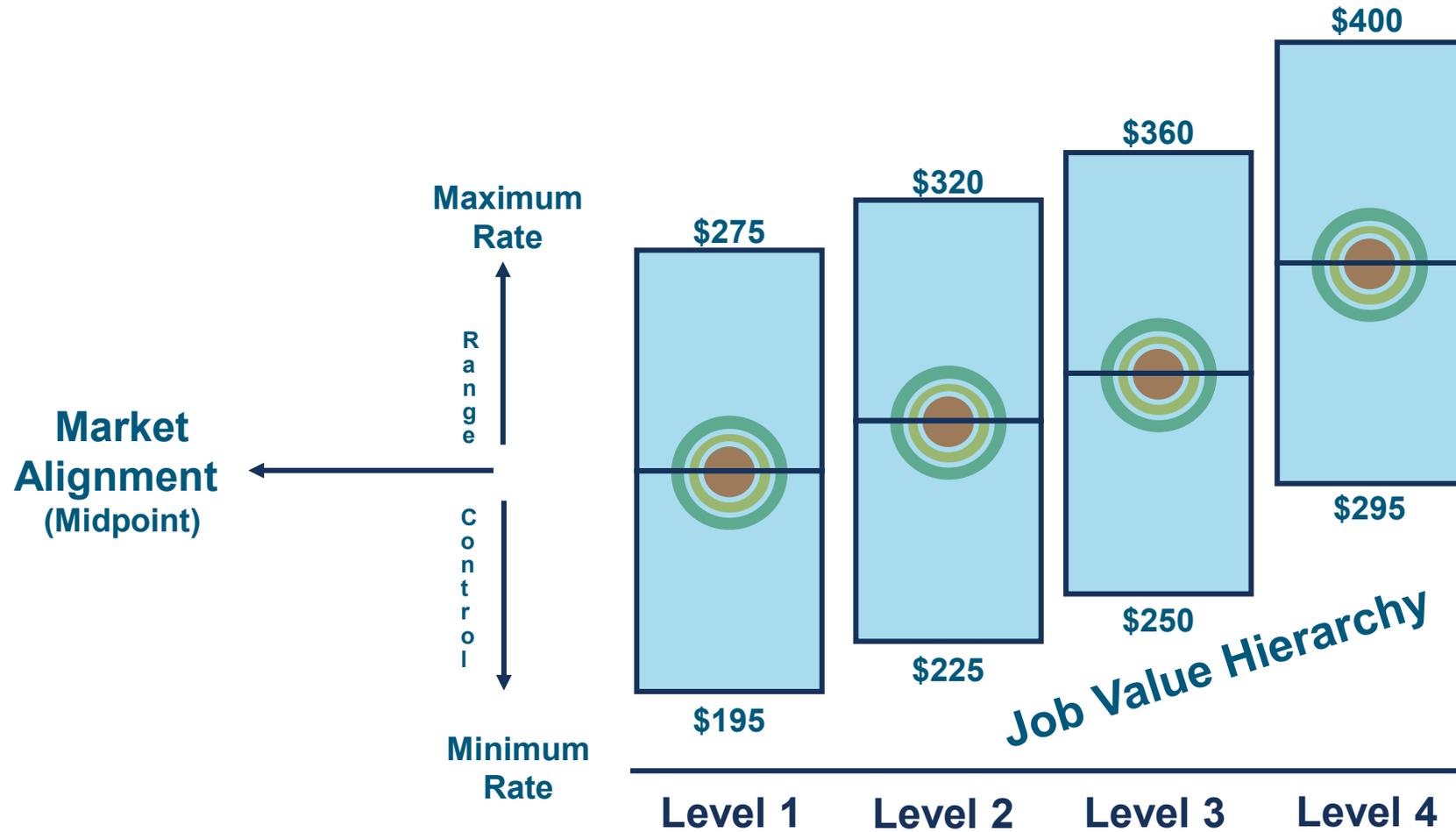
Maximum Rates —
maximum pay for job value

Midpoint Rates —
market target pay for job value

Minimum Rates —
lowest pay for job value



Market – Control Pay Structure



Market Pay Strategy

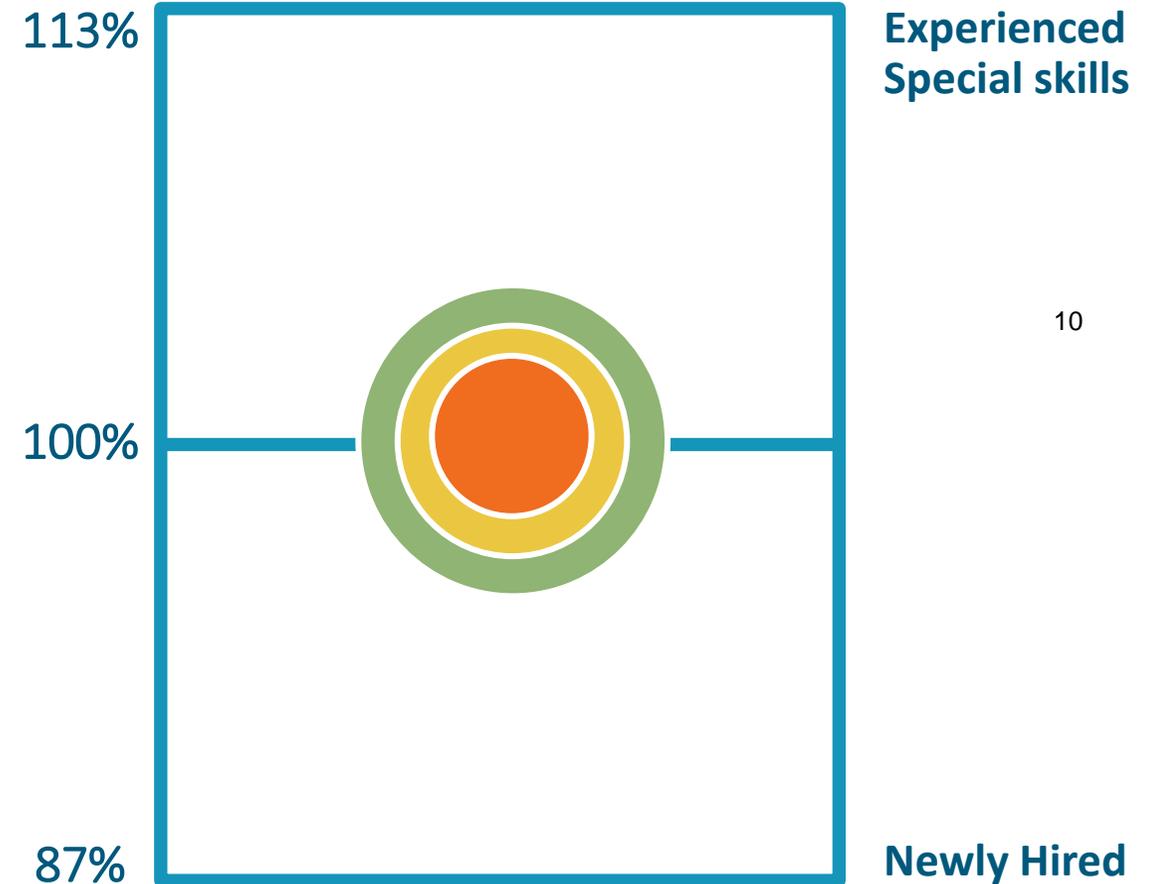
Midpoint rate is intentionally set:

- Market value
- District goals

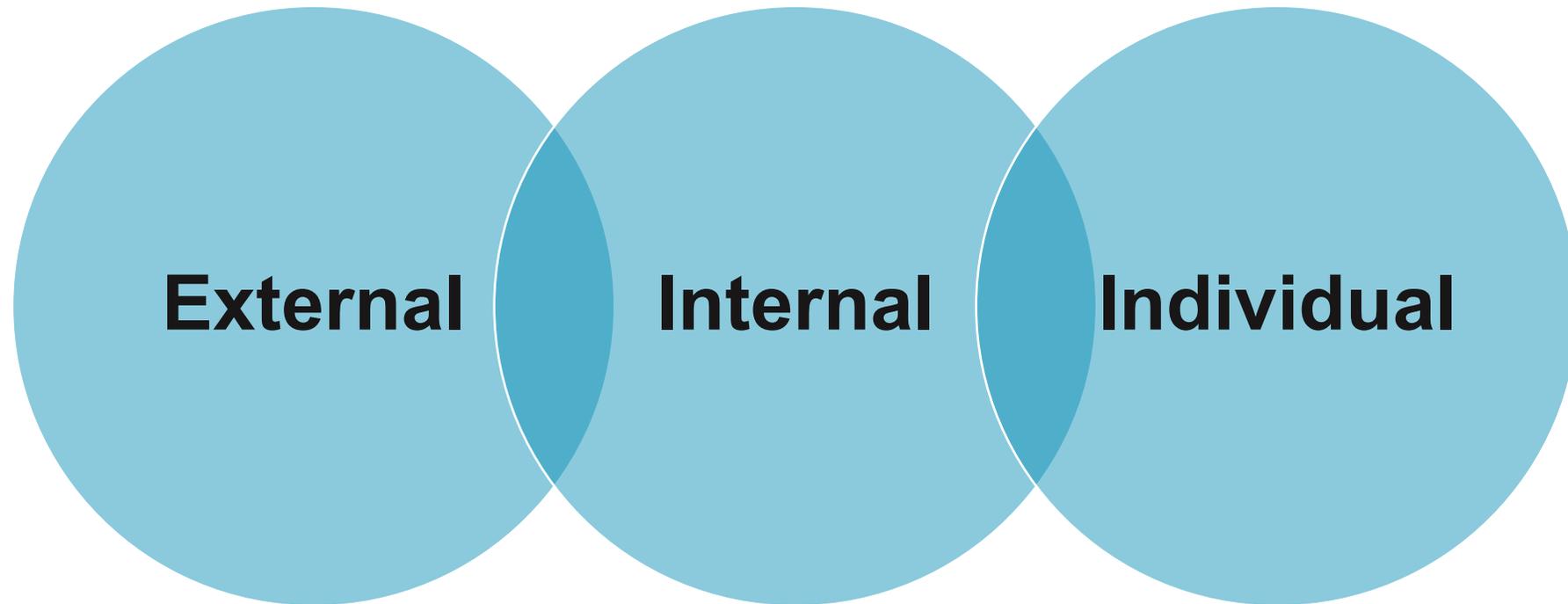
Range parameters are set to limit employee pay variance from the target rate.

Goal is to pay employees near target rate.

Target rate is adjusted regularly.



Pay Equity



Total Rewards



Qualitative Input

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Qualitative Input

- Survey was sent to 109 administrators
- 98 administrators completed for a 90% response rate
- Data was collected in October/November

Qualitative Input

- Respondents almost universally felt that pay is low and not comparable to cost of living, contributing to:
 - Low staff morale
 - Turnover/retention issues
 - Recruitment difficulties

Qualitative Input

- Some respondent frustrations may be tied to workload and staffing issues rather than compensation.
- There were common concerns about the pay structures and pay administration procedures

Findings

Market Districts

	District	ESC Region	Student Enrollment	Number of FTE
1	Austin ISD	13	71,070	9,175
2	Del Valle ISD	13	11,118	1,740
3	Eanes ISD	13	7,594	1,182
4	Georgetown ISD	13	13,790	2,041
5	Hays CISD	13	24,126	3,309
6	Hutto ISD	13	10,659	1,624
7	Lago Vista ISD	13	1,858	219
8	Lake Travis ISD	13	10,976	1,428
9	Liberty Hill ISD	13	9,832	1,368
10	Manor ISD	13	9,963	1,285
11	Pflugerville ISD	13	25,445	3,677
12	Round Rock ISD	13	47,016	6,405

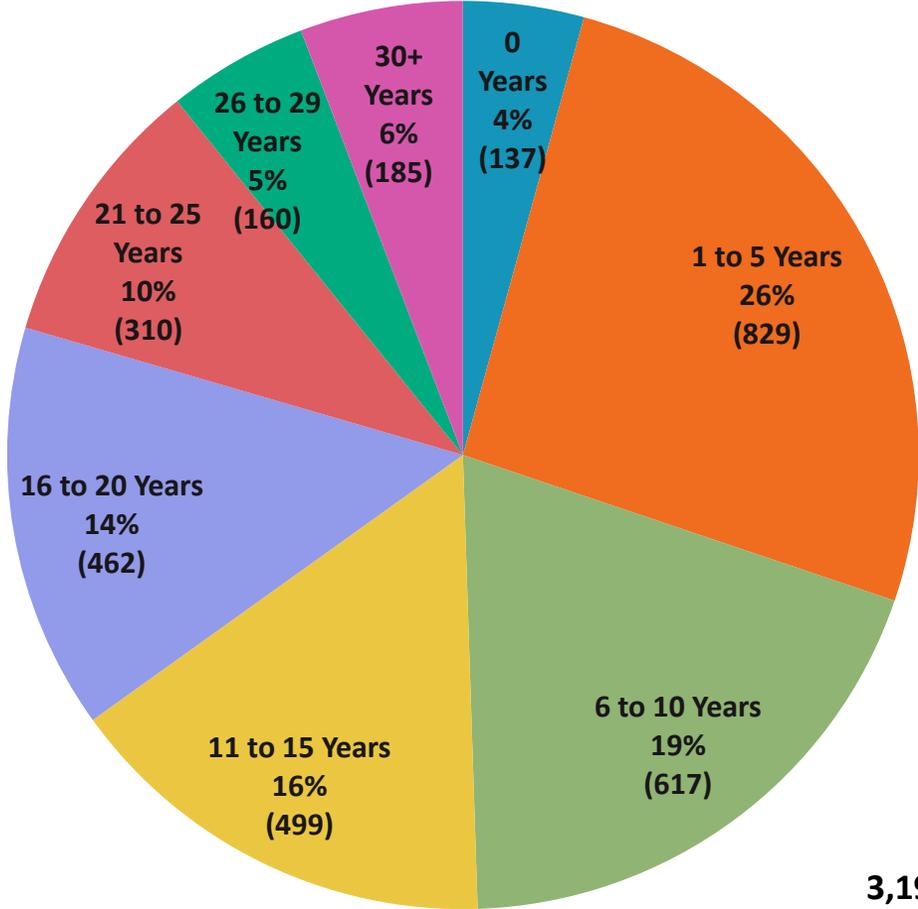
	Leander ISD	13	42,368	6,096
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Other Market Sources

- Statewide market for districts with enrollment between 37,500 and 49,999 for central administration positions
- Austin metro area non-school market from
 - CompAnalyst
 - Payfactors by Payscale

Teachers – Demographics

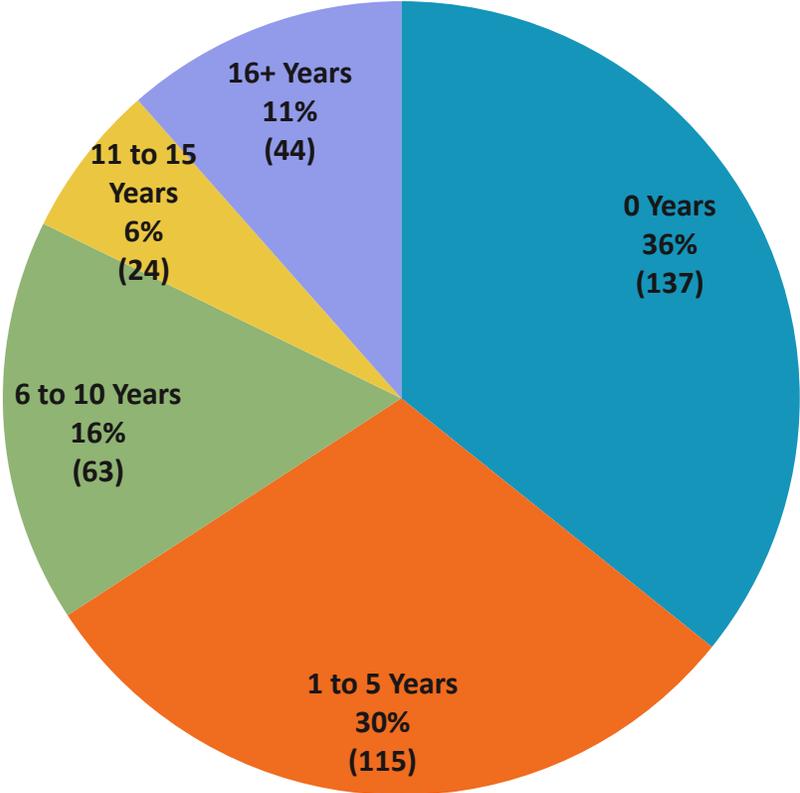
Experience of Current Teachers and Librarians



3,199 Teachers and Librarians

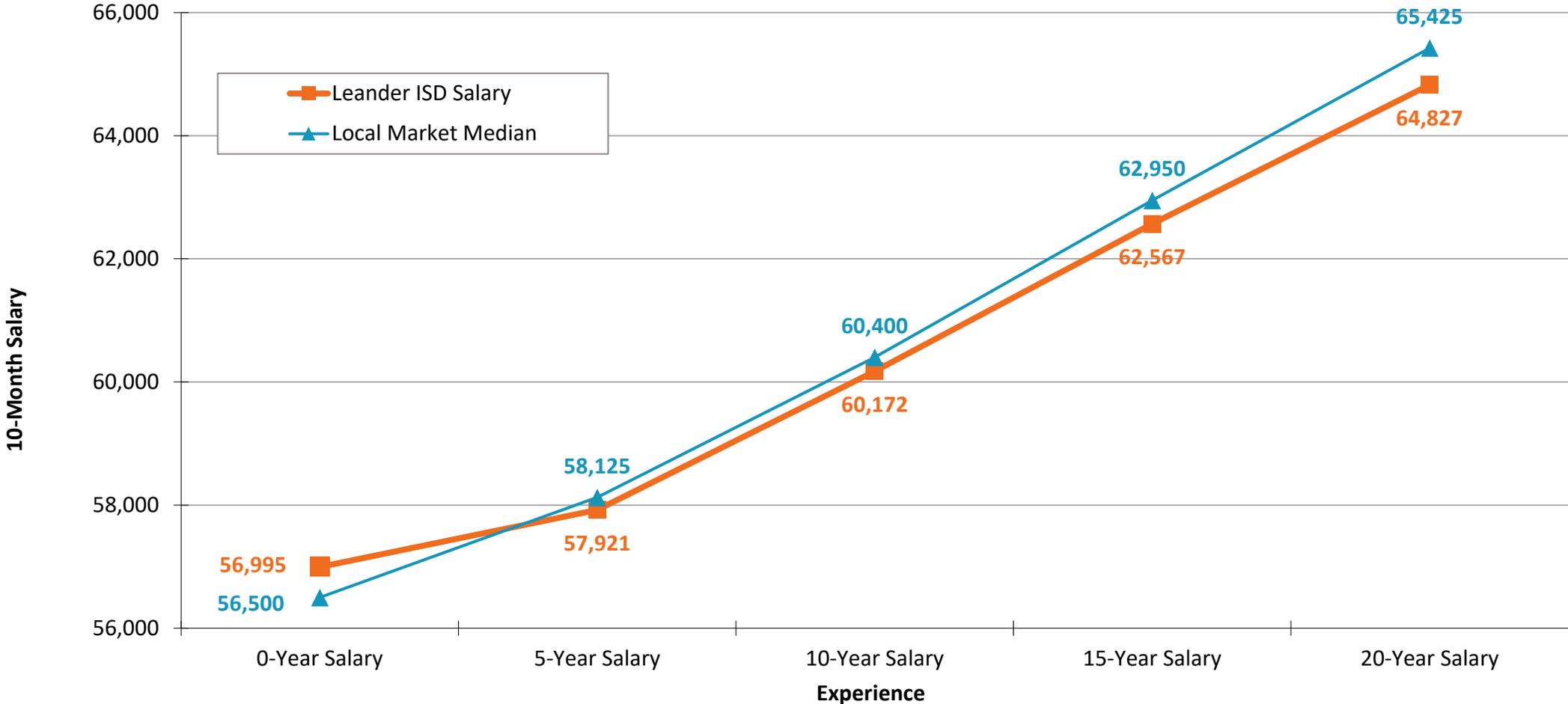
Teachers – Demographics

Experience of Newly Hired Teachers and Librarians



**383 Teachers and Librarians
with 0 years of local experience in 2024-2025**

Teachers – Market Graph



Teachers – Market Salaries

	0 - Years	5 - Years	10 - Years	15 - Years	20 - Years	Average Salary
Leander ISD Salary	\$56,995	\$57,921	\$60,172	\$62,567	\$64,827	\$61,019
Local Market Median	\$56,500	\$58,125	\$60,400	\$62,950	\$65,425	\$60,723
Percent of Market	101%	100%	100%	99%	99%	100%
Difference from Market	\$495	(\$204)	(\$228)	(\$383)	(\$598)	\$296

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Teachers – Market Stipends

Stipend	Leander ISD	Median Stipend	Districts Reporting
Master’s Degree – General	\$1,000	\$1,000	12 of 12
Secondary Math	--	\$3,000	5 of 12
Secondary Science	--	\$2,500	4 of 12
Bilingual	\$7,000	\$7,000	8 of 12
Special Education – General/Resource	\$2,500	\$2,500	9 of 12
Special Education – High Needs	\$5,000	\$4,000	11 of 12

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Exempt – Market Salaries

Pay Group	Employee Pay to Market	Pay Grade Midpoint to Market	Pay Grade Minimum to Market	Number of Benchmarks		
				90-110%	>110%	<90%
Executive Leadership	109%	N/A	--	7	2	0
Administrative Leadership	96%	97%	--	16	3	8
Professional	100%	99%	--	26	2	2
Technology	99%	97%	--	11	3	4

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Nonexempt – Market Salaries

Pay Group	Employee Pay to Market	Pay Grade Midpoint to Market	Pay Grade Minimum to Market	Number of Benchmarks		
				90-110%	>110%	<90%
Administrative Support	101%	100%	108%	19	3	1
Instructional Support	106%	103%	102%	5	3	0
Operations Support	95%	91%	98%	22	1	3

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Recommendations

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Recommendation 1

Implement recommended pay structures

- Strong starting salaries
- Midpoints aligned to market
- Slightly wider ranges (30% compared to current 20%)
- Jobs have been realigned into new pay structures by job family

Pay Structures

- Teachers & Librarians
- 100s Executive Leadership
- 200s Administrative Leadership
- 300s Professional Support
- 400s Technology
- 500s Administrative Support
- 600s Instructional Support
- 700s Operations Support
- 800s Police

Recommendation 2

Adopt a general pay increase (GPI) to maintain and improve market position

- Model 1: No GPI for all job groups
- For teacher structure, GPI calculated as a percentage of market median salary
- For other pay groups, GPI calculated as a percentage of employee's pay grade midpoint

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Recommendation 3

Provide adjustments to address market differences and maintain equity

- Increase to 1 percent above minimum
- Teacher pay equity adjustments
- Placement scale adjustments (15 years to midpoint and 30 years to maximum for all pay structures)

Next Steps

- Extracurricular duty stipend review is in progress
- Track and prepare for legislative action that may require compensation adjustments

Cost – Model 1 (0.0%)

Pay Group	General Pay Increase	Adjustments	# of Employees Receiving Adjustments	% of Employees Receiving Adjustments	Avg Total Increase (GPI + Adj)	Estimated Total Increase
Teachers and Librarians	\$0	\$220,132	1,262	39%	0.1%	\$220,132
100s Executive Leadership	\$0	\$1,580	2	10%	0.0%	\$1,580
200s Administrative Leadership	\$0	\$417,459	62	32%	2.2%	\$417,459
300s Professional Support	\$0	\$1,303,288	394	81%	4.7%	\$1,303,288
400s Technology	\$0	\$167,677	71	92%	2.5%	\$167,677
500s Administrative Support	\$0	\$219,876	205	70%	1.8%	\$219,876
600s Instructional Support	\$0	\$221,569	259	39%	1.2%	\$221,569
700s Operations Support	\$0	\$1,040,238	698	82%	3.4%	\$1,040,238
Total	\$0	\$3,591,819	2,953	51%	1.3%	\$3,591,819
% of Current Costs	0.0%	1.1%				1.1%

Amy Campbell – Director, HR Services
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DISCUSSION

PAY SYSTEM REVIEW

**Leander Independent School
District**

February 27, 2025

Amy Campbell

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Introduction and Methodology

Leander Independent School District (LISD) engaged the HR Services Division of the Texas Association of School Boards (TASB) to conduct a comprehensive review of its employee compensation plan. HR Services has been providing compensation consulting and support services to Texas schools for 35 years. This report presents a summary of the findings and recommendations from this project with supporting data.

Purpose of Study

This study was conducted to objectively examine the competitive job market and make recommendations for internally fair and externally competitive pay practices. The project included the following processes:

- evaluate competitive market prices for key benchmark jobs;
- determine whether employees are being paid within an appropriate market range;
- determine whether jobs are placed correctly in the pay structure;
- build or align pay structures with the competitive job market;
- develop an affordable implementation plan with recommended pay adjustments; and
- review and recommend administrative guidelines for managing pay systems.

All employee groups were included in this study, including:

- Teachers, librarians, and related instructional staff;
- Counselors;
- Nurses (RNs);
- Campus administrator/professional;
- District administrator/professional;
- Operational services;
- Special education licensed professionals;
- Information technology;
- Office paraprofessionals;
- Auxiliary; and
- Transportation.

In addition to base pay structures, extra duty stipend schedules and rates were collected and will be reviewed in the next phase of the project.

Project Activities

The following work tasks were completed during the study.

- **Initial planning and data collection**
Consultants conferred with district administrators to ensure a clear understanding of the concerns and objectives for the study. Pay data collected on personnel employed at the start of the project was used for modeling proposed pay plans and costs.

- **Assess competitive pay levels for common jobs**
The competitive job market group was approved by the district. Consultants analyzed market data to determine where the district is at risk and identified priorities for pay system improvements.
- **Review job classifications**
Consultants reviewed job classifications through review of job descriptions and market pricing. Consultants also reviewed the exemption status of jobs for compliance with the Fair Labor Standards Act (FLSA).
- **Build or align pay range structures**
Pay structures were built or adjusted based on market benchmark rates and district budget. Pay structures were designed to provide competitive pay ranges and internal pay system controls.
- **Design implementation plan with recommended pay adjustments**
The implementation plan was designed to achieve the following:
 - provide a general pay increase to all employees paid within their pay range;
 - adjust all employees up to the minimum pay rate for their position;
 - add strategic adjustments to improve pay for identified employees; and
 - hold harmless employees paid above the recommended maximum rates.
- **Review a draft of findings and recommendations and deliver a final report**
Consultants met with district leaders to review the initial draft of findings and recommendations.

Additional information about pay systems can be found in Understanding Pay Systems in the appendices.

Data Sources

Data sources for this project were obtained from:

- District employee records;
- Peer districts;
- TASB annual surveys of salaries and wages in Texas schools;
- Third-party salary surveys of the local metro area; and
- District administrator qualitative input.

Market Comparisons

Comparison districts were selected based on enrollment and location. School district data was obtained from the most recent available surveys conducted by TASB HR Services. Non-school market data for the Austin metro area from multiple third-party sources was used for positions not included in the TASB salary survey and incorporated for positions with similar jobs outside of K-12 education. Statewide market data for districts of comparable size was used for high-level central administrator jobs.

Exhibit 1: Comparison Districts

	District	ESC Region	Student Enrollment	Number of FTE	UIL Class	Teacher, Exempt, Nonexempt
1	Austin ISD	13	71,070	9,175	5A	X
2	Del Valle ISD	13	11,118	1,740	6A	X
3	Eanes ISD	13	7,594	1,182	6A	X
4	Georgetown ISD	13	13,790	2,041	5A	X
5	Hays CISD	13	24,126	3,309	5A	X
6	Hutto ISD	13	10,659	1,624	6A	X
7	Lago Vista ISD	13	1,858	219	4A	X
8	Lake Travis ISD	13	10,976	1,428	6A	X
9	Liberty Hill ISD	13	9,832	1,368	5A	X
10	Manor ISD	13	9,963	1,285	6A	X
11	Pflugerville ISD	13	25,445	3,677	5A	X
12	Round Rock ISD	13	47,016	6,405	6A	X
	<i>Leander ISD</i>	13	42,368	6,096	5A	12

Summary of Findings

Qualitative Input

Qualitative input was collected through a confidential online survey sent to 109 administrators on October 16, 2024. Multiple reminders were sent to survey respondents until the survey was closed on November 11, with 98 administrators completing the survey for a 90 percent response rate.

The survey included questions about jobs with high turnover, jobs that are difficult to fill with qualified candidates, general concerns about the compensation plan, and requested outcomes for the study.

Following is a summary of feedback received from administrators in the survey.

- Respondents almost universally felt that pay is low and not comparable to cost of living. Many felt that this is contributing to:
 - Low staff morale
 - Turnover/retention issues
 - Recruitment difficulties
- Some respondent frustrations may be tied to workload and staffing issues, rather than compensation. This is not an uncommon sentiment among district staff across the state, particularly as they struggle with funding issues, persistent vacancies, and increasing workloads.
- Some respondents felt that job descriptions may warrant additional review to more accurately reflect actual duties and responsibilities.
- There are many common concerns about the pay structures and pay administration procedures, including:
 - The process used for crediting experience for pay purposes is confusing and frustrating for many.
 - Several respondents felt that pay increases for promotions may be small or nonexistent, contributing to morale issues and turnover.
 - Many respondents commented that compression in pay scales and overlap among pay grades has led to perceptions of pay inequity and unfairness.
 - Several respondents desired more flexibility to make changes and address compensation issues to retain staff.
 - Many respondents felt that job titles and levels are confusing and that job hierarchies lack clarity. They commented that duties for different levels of titles are very similar or, in contrast, the duties for the same level of titles are very different. This may be contributing to concerns about internal equity.

Teachers—Current Environment

LISD’s teacher and librarian hiring structure extends to 30 years of experience, though teachers with more experience are paid beyond the structure. Nearly half (49 percent) of current teachers and librarians have 10 years or fewer of experience, including 4 percent with no prior experience. At the top end of experience, 11 percent of teachers and librarians have more than 25 years of experience and likely could be eligible for retirement.

Exhibit 2: Distribution of Teachers and Librarians by Experience

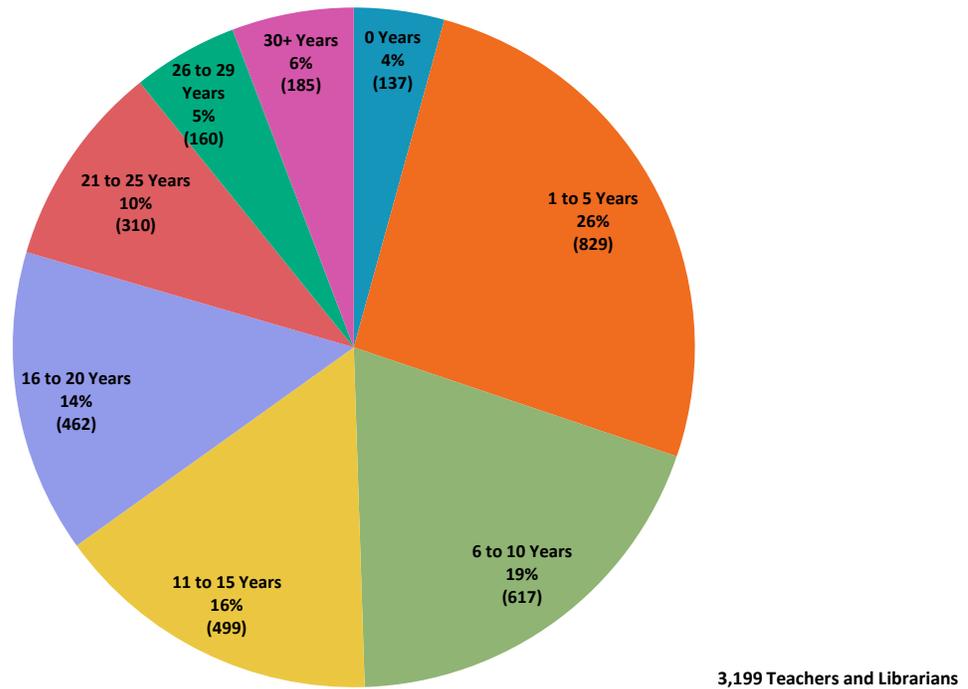
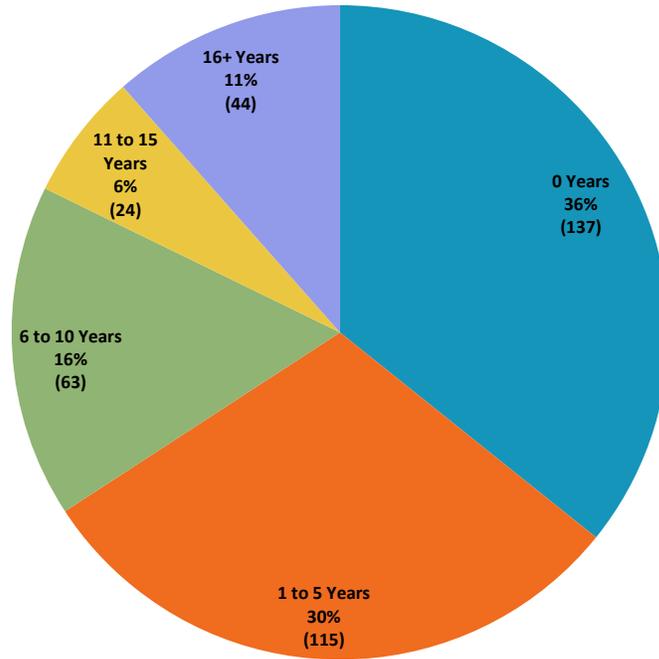


Exhibit 3: Experience of Newly Hired Teachers and Librarians



383 Teachers and Librarians with 0 years of local experience in 2024-2025

Teachers—Market Comparison

LISD teacher pay is relatively close to market value at each surveyed point in the range and is farthest above at starting pay or 0 years of experience (\$495 or 1 percent above market) and farthest below at 20 years of experience (-\$598 or 1 percent below market). The district ranks between 5th and 8th position among market peers.

Exhibit 4: Teacher Salary Schedule Comparison

	Beginning Salary	5-year Salary	10-year Salary	15-year Salary	20-year Salary	Average Salary
Leander ISD Salary	\$56,995	\$57,921	\$60,172	\$62,567	\$64,827	\$61,019
Local Market Median	\$56,500	\$58,125	\$60,400	\$62,950	\$65,425	\$60,723
Percent of Market Median	101%	100%	100%	99%	99%	100%
Difference to Median	\$495	(\$204)	(\$228)	(\$383)	(\$598)	\$296

Teacher Incentives: More analyses of stipends will be completed during the extra duty stipend review, but a brief review of teaching area stipends shows that LISD is offering relatively competitive stipend rates.

The table below includes common teacher stipends and how the district compares with peers. This comparison may be helpful if the district is considering adjusting stipend amounts or offerings. Offering stipends for hard-to-fill positions is one method of remaining competitive with peer districts.

Exhibit 5: Teacher Stipend Comparison

Stipend	Leander ISD	Median Stipend	Districts Reporting
Master’s Degree - General	\$1,000	\$1,000	12 of 12
Secondary Math	--	\$3,000	5 of 12
Secondary Science	--	\$2,500	4 of 12
Special Education - General/Resource	\$2,500	\$2,500	9 of 12
Special Education - High Needs	\$5,000	\$4,000	11 of 12
Bilingual	\$7,000	\$7,000	8 of 12
National Board Certification	\$1,500	\$1,927	3 of 12

Exempt Positions—Current Environment

Exempt positions in LISD currently are paid within multiple different job groups, including:

- Campus administrator/professional
- District administrator/professional
- Operational services
- Nurses (RNs)
- Counselors
- Special education licensed professionals
- Information technology

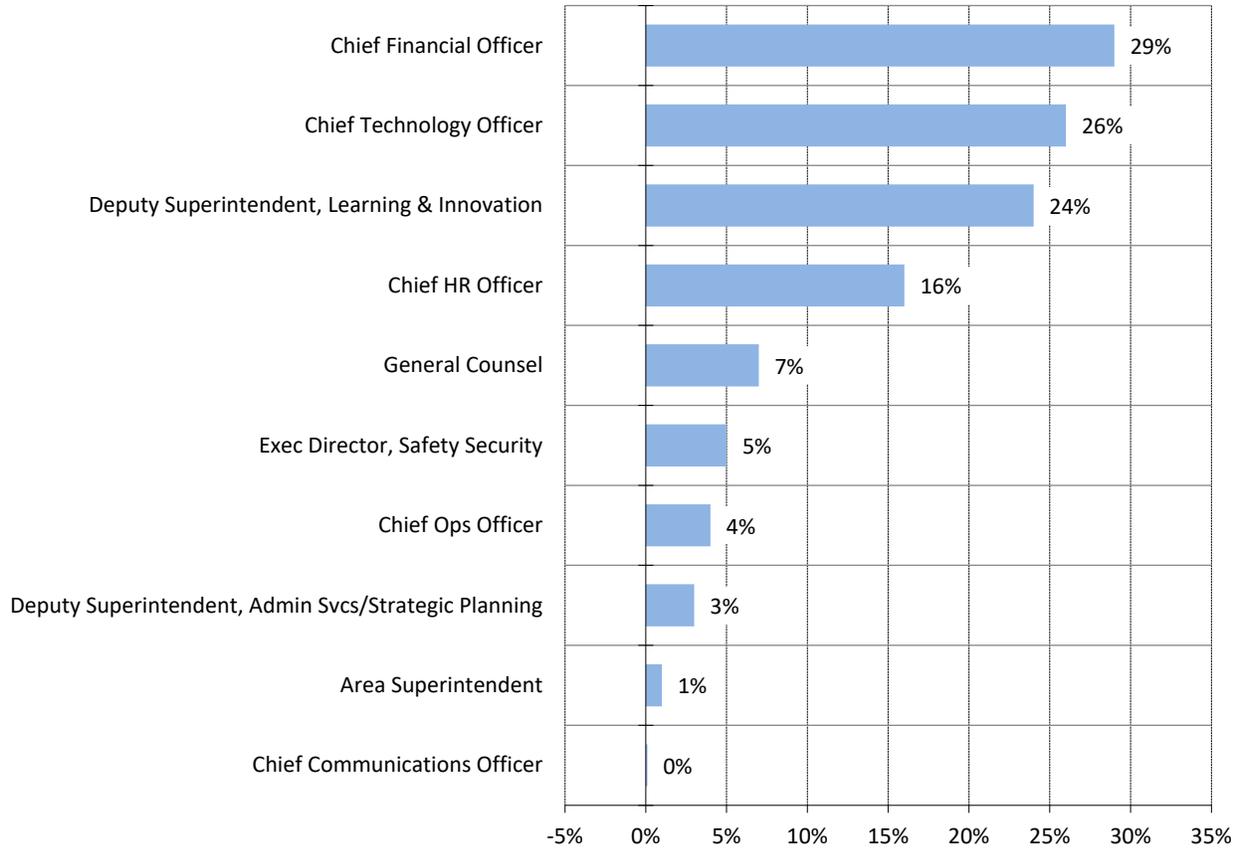
All job groups in LISD are paid within narrow 20 percent wide ranges with employees moving along a step-like process from minimum to maximum. The district uses fairly rigid procedures for determining new hire and promotional salaries and many pay grades have little to no overlap with neighboring pay grades.

Exempt Positions—Market Comparison

Exempt positions were divided into groups of similar jobs for market comparison purposes based on the proposed new pay structures.

Exhibit 6

**Leander ISD:
Executive Leadership Comparisons to Market, 2024-2025**

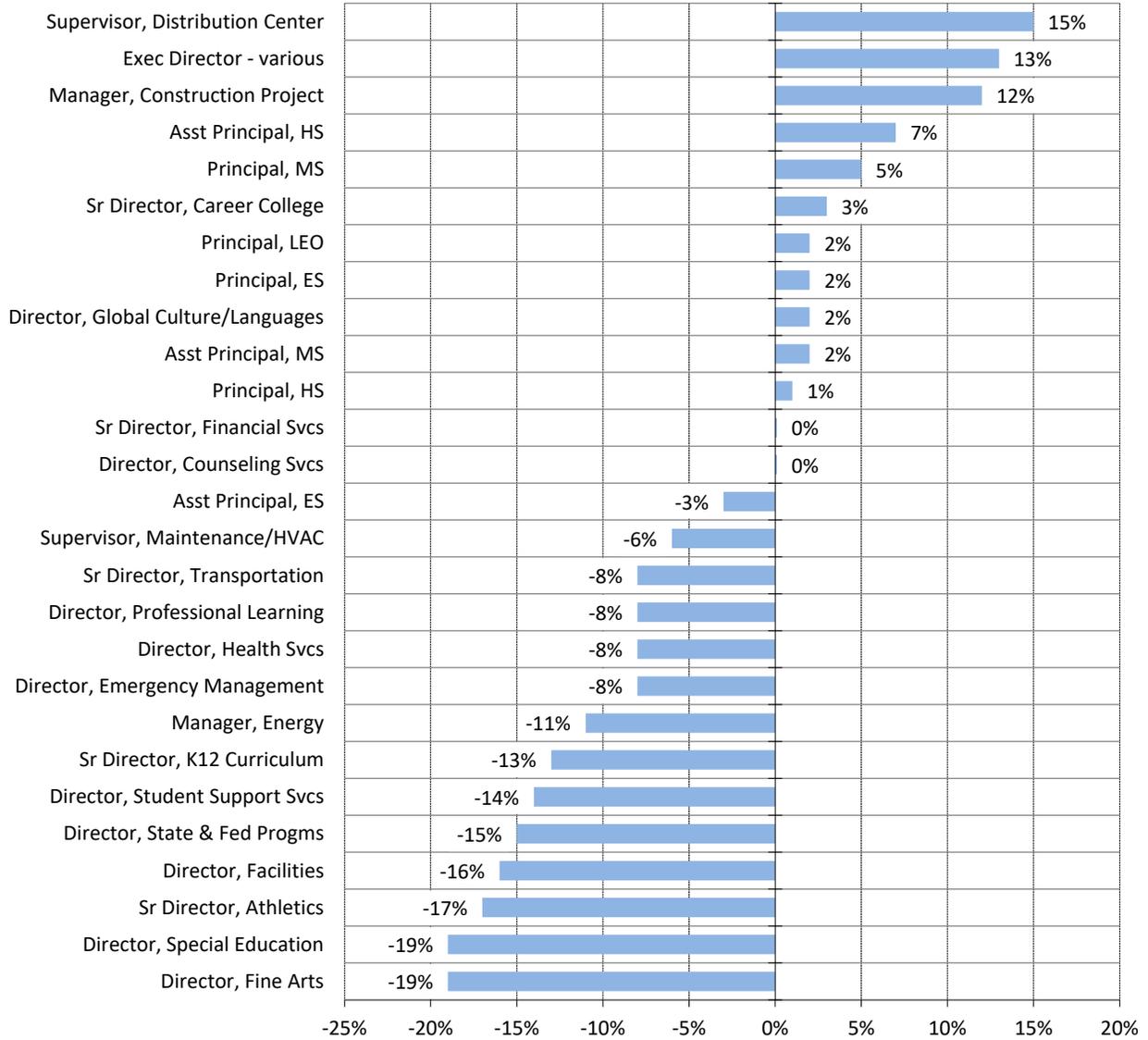


Executive Leadership: Executive leadership positions are all at or above market value when compared to statewide market medians for districts with between 37,500 and 49,999 students, and these positions are on average 12 percent above market. This job group currently does not have published midpoints to compare to market.

It should be noted that these are single incumbent positions and individual experience, performance, skills, and unique job responsibilities impact market matches more significantly than for multi-incumbent job titles.

Exhibit 7

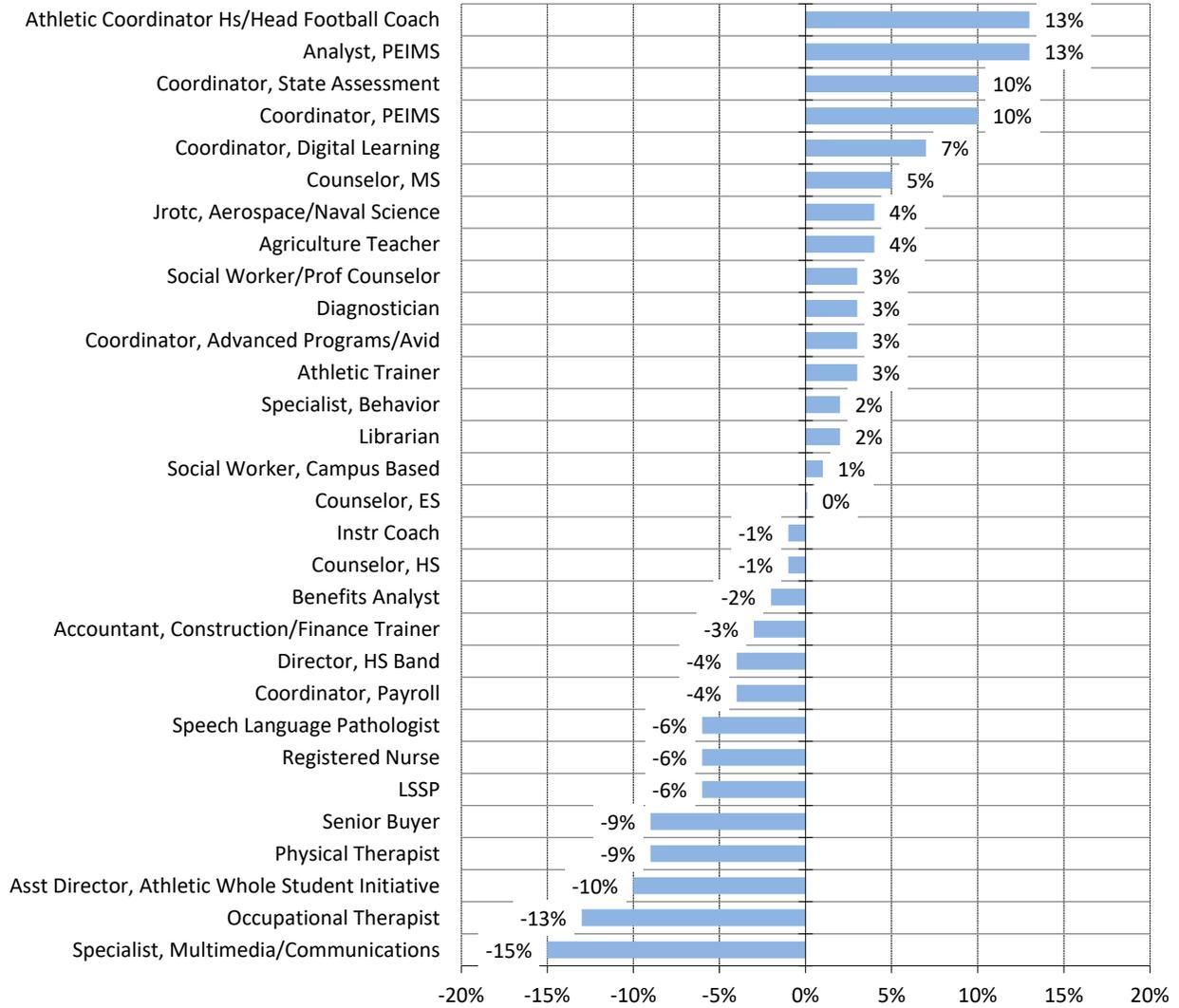
**Leander ISD:
AL Comparisons to Market, 2024-2025**



Administrative Leadership: Overall, administrative leadership positions are 4 percent below market median values, and, not shown in the graph, range midpoints are slightly closer to market at 3 percent below. Two positions (Manager, Energy and Manager, Construction Project) have duty days that exceed market duty days, so market comparisons are lower when daily rates are compared to market.

Exhibit 8

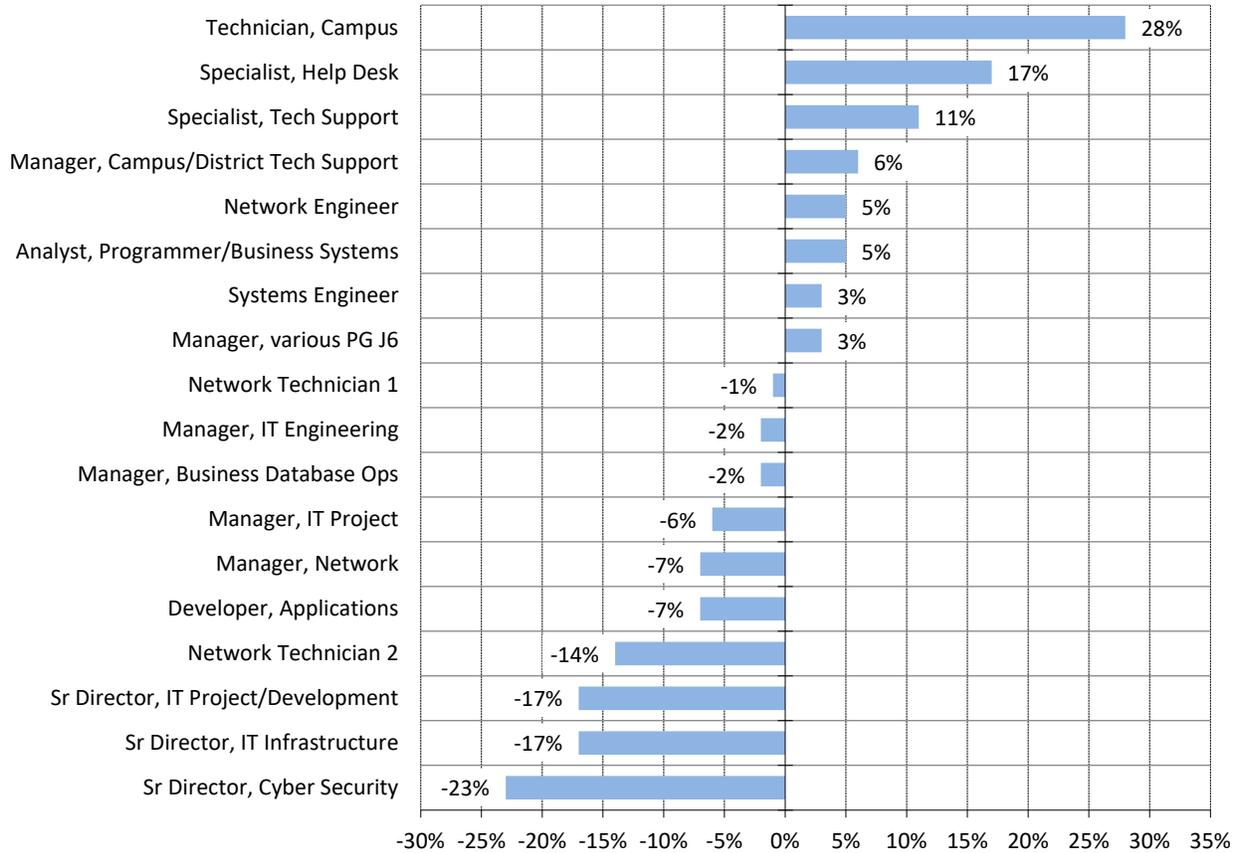
Leander ISD: Professional Comparisons to Market, 2024-2025



Professional: Professional positions in LISD are paid even with market on average, with positions ranging from 15 percent below market to 13 percent above market. Not pictured in the chart above, range midpoints are 1 percent below market.

Exhibit 9

**Leander ISD:
Technology Comparisons to Market, 2024-2025**



Technology: The technology job group includes both nonexempt and exempt positions, and all benchmarked jobs are shown in the chart above. On average, technology jobs in LISD are 1 percent below market with individual jobs ranging from 23 percent below to 28 percent above market. Not shown in the chart above, range midpoints are 3 percent below market value, on average.

Nonexempt Positions—Current Environment

Nonexempt positions in LISD currently are paid within multiple different job groups, including:

- Office/Paraprofessional
- Transportation
- Auxiliary

All job groups in LISD are paid within narrow 20 percent wide ranges with employees moving along a step-like process from minimum to maximum. The district uses fairly rigid procedures for determining new hire and promotional salaries and many pay grades have little to no overlap with neighboring pay grades.

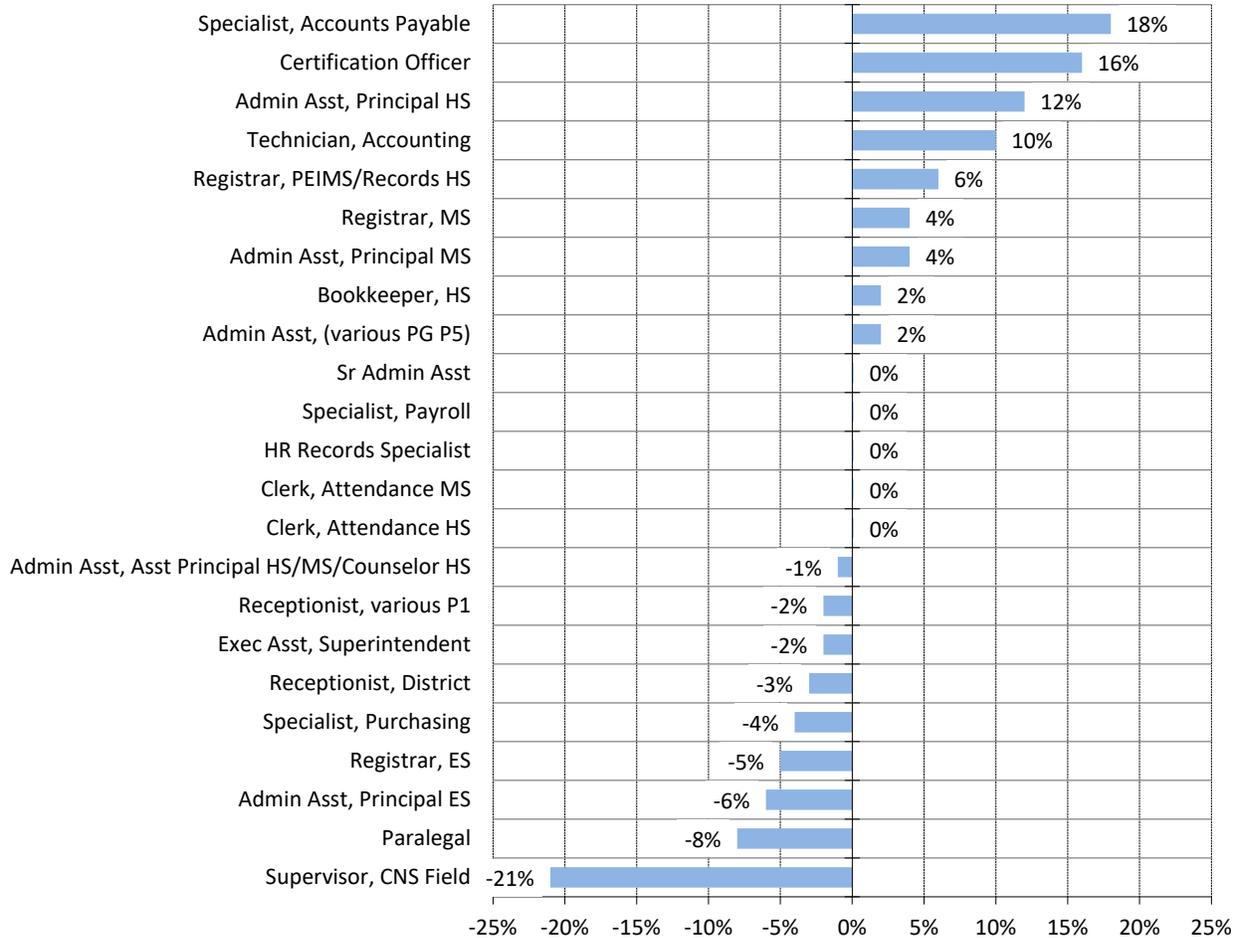
Nonexempt Positions—Market Comparison

Nonexempt positions were divided into groups of similar jobs for market comparison purposes.

Exhibit 10

Leander ISD:

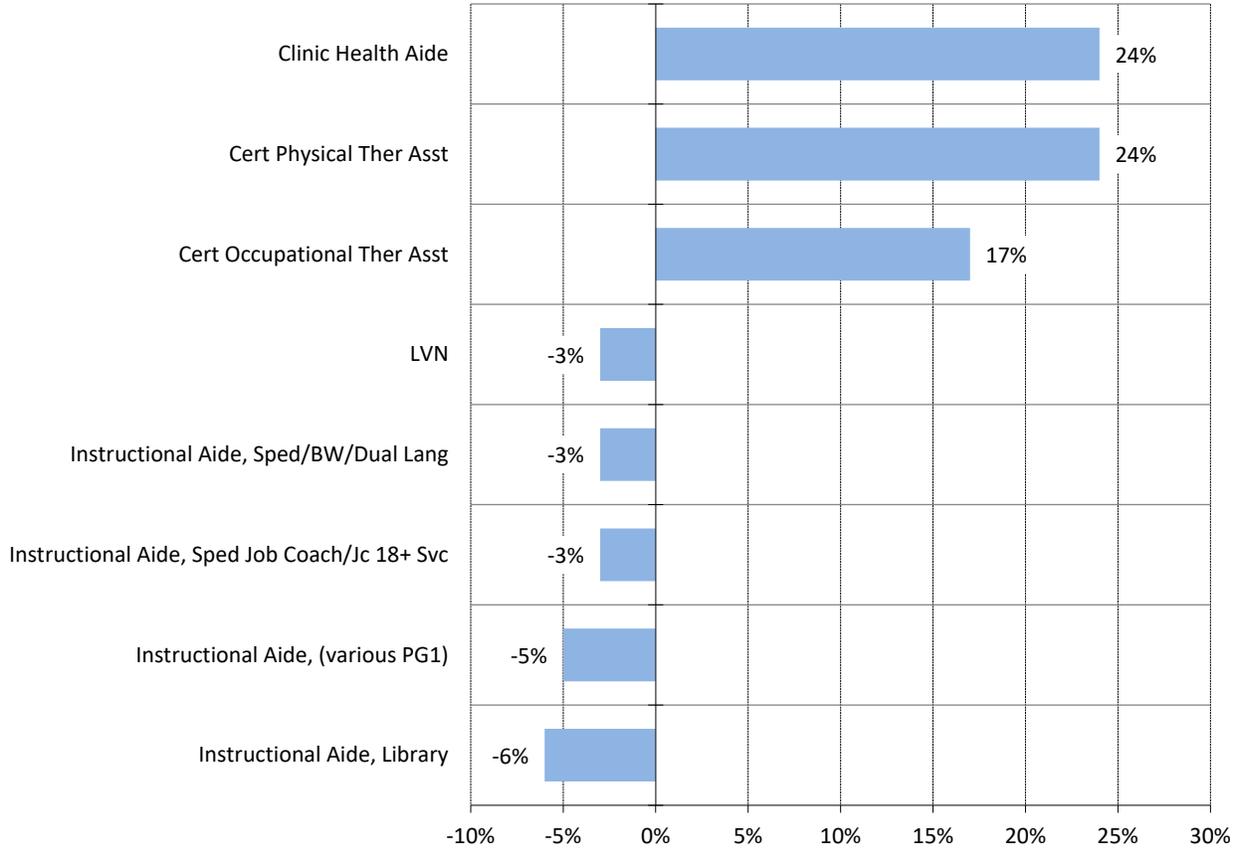
Administrative Support Comparisons to Market, 2024-2025



Administrative Support: Administrative support positions are paid 1 percent above market, on average. Most jobs in this group are within 10 percent of market value. Not shown in the chart above, range midpoints are even with market and range minimums are 8 percent above market minimums, on average.

Exhibit 11

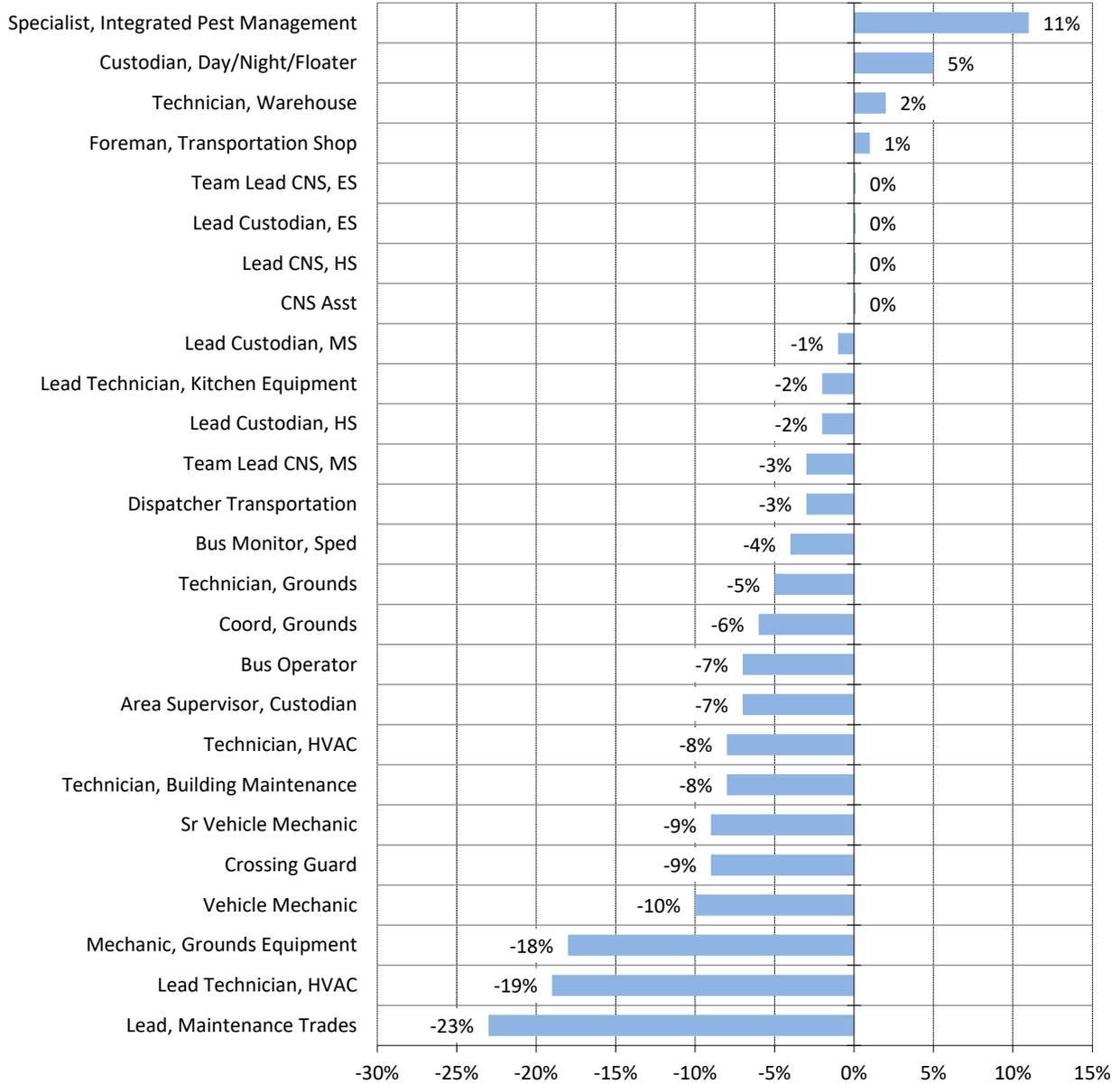
**Leander ISD:
Instructional Support Comparisons to Market, 2024-2025**



Instructional Support: Overall, instructional support positions in LISD are paid 6 percent above market, with clinic aides and certified physical and occupational therapists paid farthest above market values. Not shown in the chart above, range midpoints are 3 percent above market and range minimums are 2 percent above market minimum, on average.

Exhibit 12

**Leander ISD:
Operations Comparisons to Market, 2024-2025**



Operations Support: Positions in operations support are paid 5 percent below market, on average. Range midpoints are even farther below at 9 percent below market. Minimums are slightly closer to market at 2 percent below market minimums.

Recommendations

Following are recommendations for the LISD compensation plan.

Recommendation 1

Adopt the proposed pay structures to improve market and internal equity.

- HR Services has recommended nine pay structures:
 - Teachers and related instructional staff
 - 100s Executive Leadership
 - 200s Administrative Leadership
 - 300s Professional Support
 - 400s Technology
 - 500s Administrative Support
 - 600s Instructional Support
 - 700s Operations Support
 - 800s Police
- The scale for teachers and related instructional staff is based on years of experience aligned to market with separate stipends to reward degree attainment.
- The midpoint-based structures group jobs of similar market value, skill, effort, and responsibility into proposed pay grades with minimum, midpoint, and maximum values. Range widths have been increased slightly to 30 percent to manage costs, allow for individual salary growth over time, and allow for changes in compensation administration procedures to provide more creditable experience for pay placement purposes.

Recommendation 2

Adopt one of the proposed general pay increase (GPI) models to improve and maintain market competitiveness.

- While multiple models have been calculated for budget purposes, one GPI model has been proposed for consideration, as detailed below. In this model, all continuing teachers receive the same increase amount, and increases for non-teachers are calculated as a percent of pay grade midpoint.
- The primary model does not include a GPI but instead focuses on adjustments.

Recommendation 3

Implement additional salary adjustments to improve internal equity and market competitiveness.

- Adjustments were added to the teacher hiring schedule at years 1 through 7 to provide meaningful pay differences between years of experience.
- There are some non-teaching employees for whom the general pay increase is not enough to move them above the minimum of the new proposed pay range. The proposed individual adjustments raise all salaries to 1 percent above the minimum of the employee's pay range. Increasing salaries to 1 percent above the minimum will ensure current employees are paid slightly more than incoming employees paid at the minimum of the pay range.
- Provide equity adjustments for administrative leadership and professional employees in the educator career pathway to ensure their proposed pay is at or above a teacher with similar degree and experience on a daily rate basis.
- Placement scales were used to align employee pay by years of experience for all pay grades. Placement scales divide the difference between minimum and maximum in each pay grade to help spread pay for staff based on experience, with 15 years to midpoint and 30 years to maximum. This will help avoid pay compression as well as allow for simplicity and repeatability in pay determinations.

Next Steps

As the extra duty stipend review is completed, additional findings and recommendations will be shared for implementation of new stipend structures. Completion is anticipated later this spring.

Additional details regarding pay system implementation and management can be found in Understanding Pay Systems and Pay System Implementation and Management in the appendices.

Estimated Cost of Recommendations

This estimate is based on employee pay data collected at the beginning of the pay study and is reflective of a snapshot in time.

Leander ISD

Summary of Cost Estimates, 2025-2026

Model 1

No GPI

	Total Staff	Count of Increases	Cost Increase	Percent of Current Costs	2024-2025 Current Costs
Teachers and Librarians					
\$56,995 starting salary	3,199		\$220,132		\$195,391,053
Adjustments - current schedule equity		49	\$39,722	0.0%	
Adjustments - years 1-7		1,220	\$180,410	0.1%	
Executive Leadership	19		\$1,580		\$3,508,058
Adjustments - placement scale		2	\$1,580	0.0%	
200s Administrative Leadership	194		\$417,459		\$18,462,743
Adjustments - 1.0% above pay range minimum		22	\$137,905	0.7%	
Adjustments - teacher pay equity		15	\$34,611	0.2%	
Adjustments - placement scale		44	\$244,943	1.3%	
300s Professional Support	488		\$1,303,288		\$36,344,477
Adjustments - 1.0% above pay range minimum		31	\$38,398	0.1%	
Adjustments - teacher pay equity		29	\$56,856	0.2%	
Adjustments - placement scale		372	\$1,208,034	3.3%	
400s Technology	77		\$167,677		\$6,563,940
Adjustments - 1.0% above pay range minimum		3	\$4,223	0.1%	
Adjustments - placement scale		70	\$163,454	2.5%	
500s Administrative Support	294		\$219,876		\$12,020,892
Adjustments - 1.0% above pay range minimum		18	\$9,525	0.1%	
Adjustments - placement scale		193	\$210,351	1.7%	
600s Instructional Support	664		\$221,569		\$18,694,738
Adjustments - 1.0% above pay range minimum		65	\$34,949	0.2%	
Adjustments - placement scale		233	\$186,620	1.0%	
700s Operations Support	854		\$1,040,238		\$29,229,657
Adjustments - 1.0% above pay range minimum		240	\$179,801	0.6%	
Adjustments - placement scale		619	\$860,437	2.9%	
Subtotal - Implementation/Equity Adjustments		3,225	\$3,591,819	1.1%	
Total Cost Estimate			\$3,591,819	1.1%	\$320,215,558

Footnotes:

^{1c} Pay increases were applied to all employees and itemized separately for employees at or above the maximum rate.

Appendices

Understanding Pay Systems

Objectives of Pay Systems

All organizations have common management needs and employee expectations that must be translated into pay practices. An effective pay system should address both the needs of the organization and the expectations of its employees.



Basic Pay System Elements

Job Families

A job family includes jobs that share common characteristics and are grouped into a common pay structure. These characteristics include the type of work performed, the competitive job market, potential career paths for employees, and state and federal laws regulating wages and salaries. Separate pay range structures typically are built for each job family.

Pay Grades

Compensable job factors such as skill, effort, and responsibility serve as the basis for assigning jobs to different pay levels to achieve internal pay equity among employees. The greater the degree of skill, effort, and responsibility required by a job, the higher the level of pay. Jobs that have similar value and are grouped into the same range of pay are assigned or classified to pay grades.

Job Pricing

While objective job evaluation and classification contributes to internal pay equity, job pricing contributes to external pay equity. Job pricing uses data collected from salary and wage surveys of other employers to determine the external market value of benchmark jobs. This data is used to set pay ranges that are competitive with the external job market. Because jobs have been analyzed and classified into groups of similar value, job pricing does not require a survey match for each unique job.

Job Market

Job markets may be different for different employee groups. By definition, a job market represents the employers that a district typically competes with to attract and retain employees. Professional employees may be recruited from a larger geographic area than paraprofessional or auxiliary employees. School districts may be the only competitors for instructional positions while other types of businesses may be competitors for business or technology jobs. For this reason, different job markets and survey sources may be used to accurately assess the district's true competitive job market.

Pay Structure

The pay structure itself is the key management tool that provides control over the district's competitive position in the marketplace and internal pay equity among all employees. Designing the pay structure involves setting the proper control points (midpoint, minimum, and maximum rates of pay) for each pay grade and ensuring that appropriate pay differentials between pay grade levels are established.

Issues that must be weighed and balanced in the design of pay structures include:

- positioning the district competitively,
- impact on current pay practices,
- adequate pay differentials for higher levels of job responsibility,
- internal consistency and rationality, and
- controlled variance within each pay range.

Pay System Implementation and Management

Implementation and System Administration

Current employees may not be paid within the recommended pay ranges initially. Decisions must be made during this transition period of how to deal with employees who are paid outside the pay range for their position. If employees are paid below the minimum rate of their pay range, additional adjustments should be provided to increase their pay to at least the minimum rate of pay. If employees are paid above the maximum of the pay range, they are left outside the range. No employee's pay should be reduced in this event.

Employees advance in pay through pay adjustments determined on an annual basis and tied to budget planning. These management decisions are based on current economic conditions, including projected district revenues and market competition.

The midpoint of the range is recommended as the basis for calculating employee increases for non-teachers, and for teachers, the market average teacher salary is recommended. The midpoint of the range roughly equates to market value for the positions in each pay grade. For teacher structures where pay is delineated by years of experience, there is not a true midpoint on which to base increase calculations. But, because there's one primary job in the structure, the market average teacher salary can be used. This ensures a more equitable distribution of the dollars available for pay increases and moves employees up to the range midpoint (market rate) more quickly. Using control points rather than current salaries will deliver equal dollars to employees at the same job level and helps the district control the rate of advancement through the pay range.

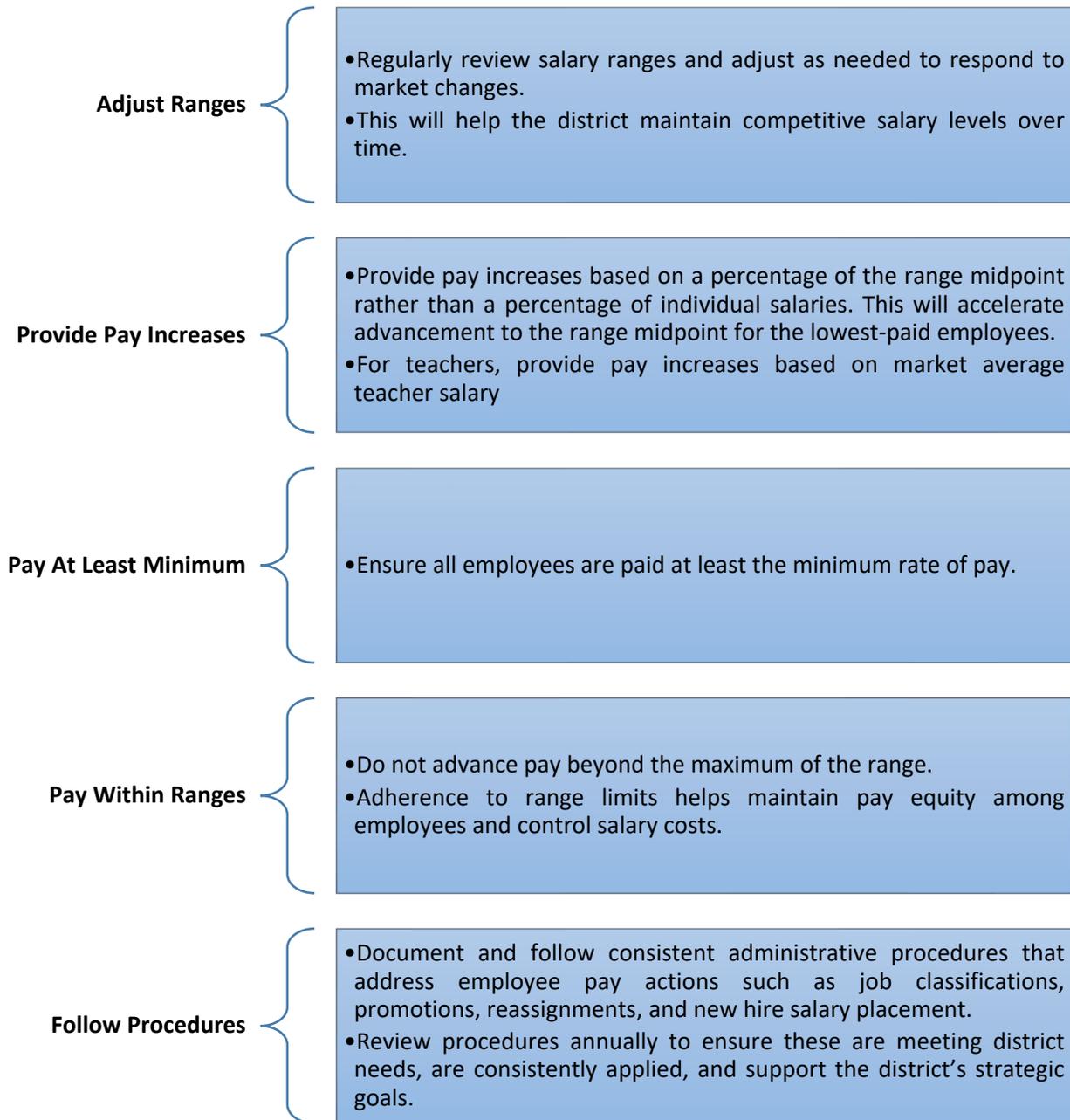
Long-Term Salary Administration

For any pay plan to meet its intended goals on a long-term basis, it must be updated regularly and administered properly. Salary administration involves four primary activities requiring administrative decisions:

- adjusting pay ranges for job market changes and general economic inflation,
- budgeting for annual salary increases for employees,
- placing new employees in the system, and
- calculating special increases for promotions or other job changes.

Pay System Management

The recommendations provided help ensure a market-competitive and equitable system for LISD. However, pay systems are dynamic and are impacted by numerous factors. To maintain a competitive and equitable system, the district must work to manage its pay system over time. Following are recommendations to aid the district in this endeavor:



Leander ISD Board Meeting Agenda Item Information

Meeting Date: Thursday, February 27, 2025

Agenda Item:	Discussion of Tuition-Based PreK for Non-Qualifying Students in the Leander ISD Attendance Zone
Purpose	<input checked="" type="checkbox"/> Discussion Item/Report Only <input type="checkbox"/> Action Requested
Administrator Responsible:	Chris Clark, Ed.D., Deputy Superintendent of Learning & Innovation; Erin Garner, Director of Early Childhood
Attachments:	Discussion of Tuition-Based PreK for Non-Qualifying Students in the Leander ISD Attendance Zone Presentation

Background Information:

During the [February 13, 2025 Regular Board meeting](#), interest was expressed in options for Tuition-Based PreK for non-qualifying students in Leander ISD's attendance zone. The purpose of this presentation is to provide the board with an overview of the options.

Administrative Recommendation:

N/A

Sample Motion:

N/A



February 27, 2025

Discussion of Tuition-Based PreK for Non-Qualifying Students in the Leander ISD Attendance Zone

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PURPOSE

The purpose of this presentation is to provide an overview of the options for tuition-based PreK opportunity to serve non-qualifying students who live in the Leander ISD attendance zone.



Potential Location Scenarios

- Campus A
 - PreK 3 - 5 open seats (half -day)
 - PreK 4 - 10 open seats

- Campus B
 - PreK 3 - would require a new position & classroom set -up fees
 - Full Day - 15 open seats (if additional classroom is added)
 - Half Day - 30 open seats (if additional classroom is added)
 - PreK 4 - 10 open seats

- Students would be in classes with qualifying students.

- School Hours: 7:30 a.m. - 2:45 p.m.



Costs Associated with Additional Classrooms

Certified Teacher	\$70,075
Instructional Assistant	\$35,387
Initial Classroom Materials, Furniture, & Supplies	Approximately \$25,000
Total Start Up Costs for an Additional Classroom: \$130,462	
PreK 3 Ratios: 15:1 PreK 4 Ratios: 20:1	

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Eligibility/Placement

- Student must reside within Leander ISD boundaries.
- Child must be 3 or 4 years old on or before September 1st of the school year they would attend.
- Child must not be eligible for free PreK.
- Lottery for placement based on first and second choice.



Tuition

- Leander ISD Tuition: To Be Determined
- After-School Care: YMCA ~ \$400/Month



Timeline

- LISD New Student Enrollment opens April 1, 2025.
- Lottery for tuition-based PreK for non-qualifying students will take place late spring.



DISCUSSION

Leander ISD Board Meeting Agenda Item Information

Meeting Date: Thursday, February 27, 2025

Agenda Item: Discussion of Long-Range Planning Framework- Pilot Open Enrollment
Purpose: Discussion Item/Report Only Action Requested
Administrator Responsible: Jeremy Trimble, M.Arch, Chief Operations Officer; Bryan Miller, M.Ed., Senior Executive Director of Student Services
Attachments: Discussion of Long-Range Planning Framework- Pilot Open Enrollment Pres (*Revised and Uploaded in BoardBook 02-27-25*)

Background Information

In alignment with the Board’s request to pilot Open Enrollment, we will evaluate this initiative within the broader Long-Range Planning Framework. District administration will review the key considerations regarding the implementation of a potential Open Enrollment pilot for the 2025-26 school year as a short-term solution and how these efforts fit into our ongoing facility optimization and budget strategies. The discussion will focus on ensuring that any decisions made contribute to long-term viability.

Administrative Recommendation:

N/A

Sample Motion:

N/A



February 27, 2025

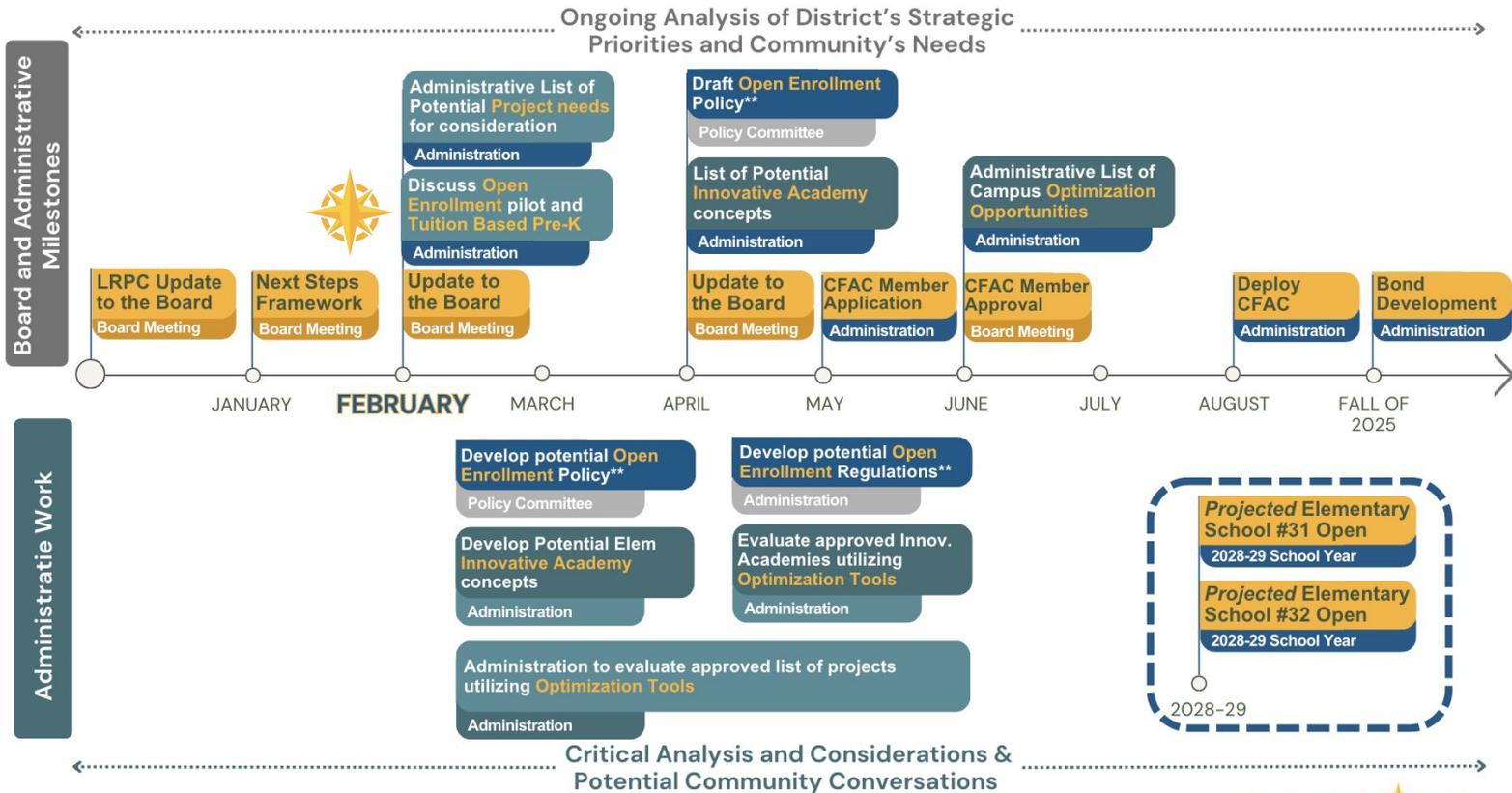
Discussion of Long-Range Planning Framework- Pilot Open Enrollment

PURPOSE

Discuss the implementation process for a potential Pilot and Open Enrollment policy within the Long-Range Planning (LRP) framework



Framework Timeline and Feedback Loop



*This document is subject to change based on updated data, available funding, Board direction, and /or community feedback.
 **Full implementation of Open Enrollment would not be practical prior to the 2026-27 school year



Key Components of Work within the Framework



Open Enrollment:

- Establish the process for implementing a policy framework
- Further evaluation and alignment
 - a. Outline infrastructure, staffing, and eligibility considerations to inform policy
 - b. Coordinate with the ongoing improvement efforts to the **intra-district transfer process** for a seamless transition
 - c. Full implementation would not be practical prior to the **2026-27** school year



Facility Optimization:

- Refine Matrix with updated data
- Administration to develop a draft list of potential project needs
- Evaluate approved list of projects utilizing **Optimization Tools** to demonstrate facility opportunities
- Present findings to the Board for input and guidance



Innovative Academies:

- Develop a draft list of potential elementary **Innovative Academy** concepts
- Evaluate approved list of Innovative Academy concepts along with other project needs utilizing **Optimization Tools** to demonstrate facility opportunities
- Present findings to the Board for input and guidance



Key Considerations and Feasibility of Open Enrollment PILOT



Inter-District **Board Policy FDA (Local)** will need to be approved and **Administrative Guidelines** in place *prior* to rollout.



Is there **sufficient time**, once *policy* and *guidelines* are established, for **marketing communications, application processing, and sending approvals** within the recommended **time frame**?

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Current *intra-district* **application** requires a **student ID** for submission. However, *Inter-district* applicants **do not** have a student ID, which necessitates the **need** for an **application platform**.



Key Considerations and Feasibility of Open Enrollment PILOT



Inter-District **Board Policy FDA (Local)** will need to be approved and **Administrative Guidelines** in place *prior* to rollout.



Is there **sufficient time**, once *policy* and *guidelines* are established, for **marketing communications**, **application processing**, and **sending approvals** within the recommended **time frame**?

75



Current *intra-district* **application** requires a **student ID** for submission. However, *Inter-district* applicants **do not** have a student ID, which necessitates the **need** for an **application platform**.

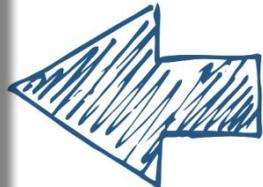


Policy vs. Guidelines

Intra-District Transfers



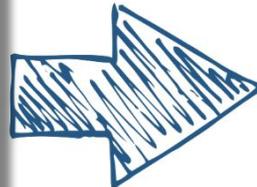
- **Board Policy FDB (Local)**
- Framework for Leander ISD resident students to transfer between district campuses
- References guidelines as appropriate
- **Requires Board Vote**



Transfer Guidelines



- Address FDB (Local) and FDA (Local)
- Outlines student eligibility criteria
- Outlines application process
- Outlines expectations for students upon acceptance
- Maintained and updated by **District Administration**



Inter-District Transfers



- **Board Policy FDA (Local)**
- Framework for non Leander ISD students to transfer into the district
- References guidelines as appropriate
- **Requires Board Vote**



Key Considerations and Feasibility of Open Enrollment PILOT



Inter-District **Board Policy FDA (Local)** will need to be approved and **Administrative Guidelines** in place *prior* to rollout.



Is there **sufficient time**, once *policy* and *guidelines* are established, for **marketing communications**, **application processing**, and **sending approvals** within the recommended **time frame**?

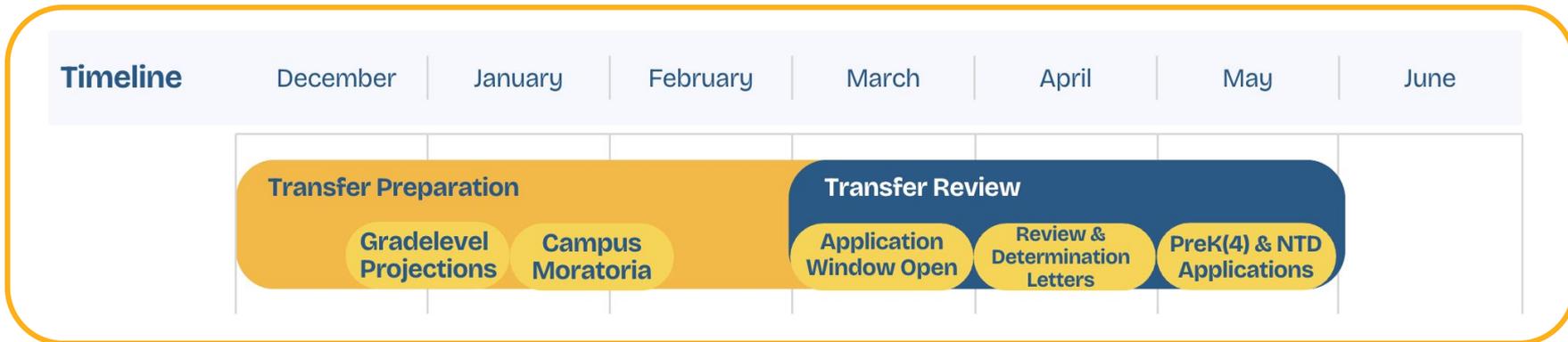
77



Current *intra-district* **application** requires a **student ID** for submission. However, *Inter-district* applicants **do not** have a student ID, which necessitates the **need** for an **application platform**.



Timeline: Current *Intra-District* Transfer Process

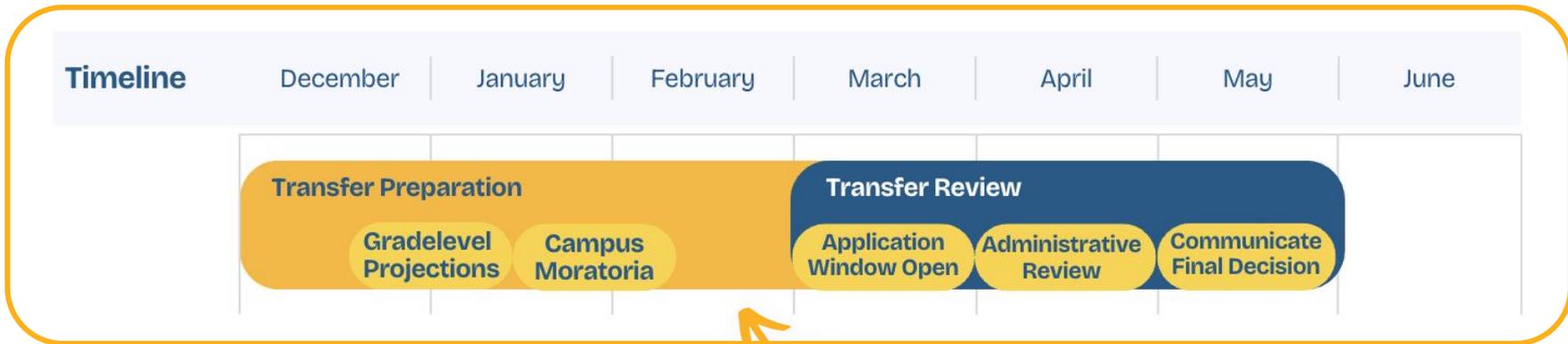


Important Dates:

- **March 1-31-** Student *intra-district* transfer window opens for currently enrolled K-11th grade students
- **April 1-30 -** Administrative **review** and **determination letters** sent to applicants
- **May 1-31 - Pre-K4** and **new-to-district (NTD)** resident transfer opportunity



Timeline: Potential *Inter-District* Transfer Process **DRAFT**



Important Dates:

We Are Here

- **March 1-31** - Student *inter-district* transfer window opens for **non-Leander ISD**⁷⁹ students
- **April 1-30** - Administration **reviews** applicants based on **criteria** defined within **policy** and **guidelines**
 - Inter-District* applications require more documentation and review than *Intra-District*
- **May 1-31** - **Determination letters** are sent to applicants



Key Considerations and Feasibility of Open Enrollment PILOT



Inter-District **Board Policy FDA (Local)** will need to be approved and **Administrative Guidelines** in place *prior* to rollout.



Is there **sufficient time**, once *policy* and *guidelines* are established, for **marketing communications**, **application processing**, and **sending approvals** within the recommended **time frame**?

80



Current *intra-district* **application** requires a **student ID** for submission. However, *Inter-district* applicants **do not** have a student ID, which necessitates the **need** for an **application software platform**.



Application Processing Software Platform

Why is this necessary:

- **Efficiency & Accuracy** – A software platform automates the application processing, reducing manual tasks and administrative burden.
- **Transparent Process** – Standardized digital applications ensure consistent and fair processing for all applicants.
- **Documentation** – Centralized record-keeping supports adherence to district policies, legal requirements, and reporting needs.
- **Parent & Staff Accessibility** – A user-friendly online system simplifies the application process for families and reduces workload for district staff.
- **Scalability & Future Readiness** – Early software implementation ensures a smooth transition and supports potential expansion if Open Enrollment continues.





Pilot Feasibility

Balancing *Potential & Uncertainty*:

- **Strengths:** A pilot provides some preliminary insights, but if policies and guidelines are not in place, its impact is uncertain
- **Weaknesses:** The lack of defined structure and plan could increase administrative complexity and limit clear decision-making
- **Opportunities:** While the pilot could highlight key challenges, findings may not be conclusive without a defined framework
- **Threats:** If clear policies are not in place prior, the pilot could create confusion about long-term district direction



Board Discussion and Next Steps

Board Discussion:

- What key factors should influence the decision-making as this pilot is considered within the broader planning framework?



DISCUSSION

Leander ISD Board Meeting Agenda Item Information

Meeting Date: Thursday, February 27, 2025

Agenda Item:	Discussion of 2024-2025 Budget Projections
Purpose:	<input checked="" type="checkbox"/> Discussion Item/Report Only <input type="checkbox"/> Action Requested
Administrator Responsible:	Pete Pape, Ed.D., CPA, Chief Financial Officer
Attachments:	2024-2025 Budget Projections Presentation 2024-2025 Summary of Revenues and Expenditures

Background Information:

Projections of revenues and expenditures are critical for monitoring the financial position of the district. Attached is a summary of the projections for the current 2024-2025 fiscal year based on seven months of actual data. Financial Services projects final revenues and expenditures by adding estimates of what will transpire through the remainder of the fiscal year to the actual numbers incurred for the current fiscal year. This is the second projection of actual operating results and these projections will be updated monthly until the end of the fiscal year.

The current projections indicate that operations will result in a deficit budget. These are preliminary projections based on what is currently known.

In summary, the projections reflect the following:

- Gross revenues are projected at \$449,701,698 before other sources (transfers in). Revenue and other sources **net of recapture** are projected at \$438,856,124.
 - State aid was reduced by \$5 million due to enrollment being lower than projected.
 - Additional state aid for compression to the over 65 levies introduced post budget adoption resulted in an increase of \$3.4 million (offsets added positions/increase in expenditures of \$3.2 million).
- Total operating expenditures are projected at \$474,644,395, before transfers out of \$1,500,000.
 - Payroll is currently projected to be higher than budgeted (early estimate).
 - Savings are projected in the areas of contracted services, supplies and travel.
 - Expenditures approved after budget adoption:
 - Additional positions added to the budget following adoption (offset by an increase in revenue of \$3.4 million).
 - A one-time payment was issued in December.
 - Increased staffing for police department.
 - Rolled Purchase Orders.
 - Hisle Elementary NIFA funds increased due to inflation.
- Transfers out, with the majority going to the Health Insurance Fund, are estimated at \$1.5 million.

Current projections show the General Fund to end the year with a fund balance of \$158,717,738, reflecting a deficit of \$26,172,697.

Administrative Recommendation:

N/A

Sample Motion:

N/A



FEBRUARY 27, 2025

2024-2025 Budget Projections



PURPOSE

The purpose of tonight's presentation is to discuss the 2024-2025 fiscal year budget projections presented during the February 13, 2025 Board Meeting.



2024-2025 Summary of Revenue and Expenditures

	Original Budget	Current Revised Budget	Projections Thru EOY	Variance	Explanation of Variances
Revenues:					
Taxes Gross (Current & Delinquent)	\$ 329,418,530	\$ 328,949,784	\$ 328,949,784	\$ -	
Taxes (P&I)	950,000	950,000	950,000	-	
Other Local	15,662,500	15,797,042	15,797,042	-	
State - ASF & FSF	70,261,700	69,021,570	71,078,027	2,056,457	Formula updated with prelim CPTD posted in January
State - Other	26,316,845	26,316,845	27,036,845	720,000	Prior year property value audit adjustments
Federal	5,890,000	5,890,000	5,890,000	-	
Total Revenues	\$ 448,499,575	\$ 446,925,241	\$ 449,701,698	\$ 2,776,457	
Expenditures:					
Payroll Costs	\$ 393,084,037	\$ 401,111,069	\$ 406,663,566	\$ (5,552,497)	1X Payment, Added Positions
Contracted Services	17,472,465	19,139,693	16,630,382	2,509,311	Rolled POs
Utilities	9,867,099	9,867,227	9,778,053	89,174	
Supplies and Materials	20,568,749	23,310,181	20,927,763	2,382,418	Police Dept
Other Operating Costs	7,215,413	7,736,643	6,920,077	816,566	
Debt Service	537,869	537,869	836,884	(299,015)	
Capital Outlay	132,316	1,772,096	1,772,096	0	Police Dept, Rolled POs for Tech, Plant Svcs
Recapture	11,484,229	11,678,718	11,115,574	563,144	
Total Expenditures	\$ 460,362,177	\$ 475,153,497	\$ 474,644,395	\$ 509,102	
Net Operating Results	\$ (11,862,602)	\$ (28,228,256)	\$ (24,942,697)	\$ 3,285,559	
Other Sources	270,000	270,000	270,000	-	
Transfers Out - Other	-	-	-	-	
Transfers Out - Health Insurance	(1,500,000)	(1,500,000)	(1,500,000)	-	
Net Change to Fund Balance	\$ (13,092,602)	\$ (29,458,256)	\$ (26,172,697)		
Beginning Fund Balance July 1	184,890,435	184,890,435	184,890,435		
Estimated Ending Fund Balance	\$ 171,797,833	\$ 155,432,179	\$ 158,717,738		



2024-2025 Summary of Revenue and Expenditures

Fund Balance Expenditures/Items approved after budget adoption (included in expenditure calculations above)

* Added Positions/Increase in Expenditures	-	3,240,630	3,240,630	<i>Board approved 8/8/24</i>
Rolled Purchase Orders	-	3,027,753	3,027,753	<i>Board approved 9/19/24</i>
One-Time Payment	-	5,500,000	5,500,000	<i>Board approved 10/24/24</i>
Police Department start-up costs	-	2,506,156	2,506,156	<i>Board approved 11/21/24 and 12/12/24</i>
Hisle Elem NIFA Funds increased due to inflation	-	187,750	187,750	<i>Board approved 8/22/24 and 9/19/24</i>
Total Fund Balance Expenditures	\$ -	\$14,462,289	\$14,462,289	

* Offset by increase in revenue of \$3.4 million



DISCUSSION

Leander Independent School District
Summary of Revenue and Expenditure Projections thru June 30, 2025
Fiscal Year 2024-2025

	Original Budget	Current Revised Budget	Projections Thru EOY	Variance	Explanation of Variances
Revenues:					
Taxes Gross (Current & Delinquent	\$ 329,418,530	\$ 328,949,784	\$ 328,949,784	\$ -	
Taxes (P&I)	950,000	950,000	950,000	-	
Other Local	15,662,500	15,769,343	15,769,343	-	
State - ASF & FSF	70,261,700	69,021,570	69,061,965	40,395	
State - Other	26,316,845	26,316,845	26,316,845	-	
Federal	5,890,000	5,890,000	5,890,000	-	
Total Revenues	\$ 448,499,575	\$ 446,897,542	\$ 446,937,937	\$ 40,395	
Expenditures:					
Payroll Costs	\$ 393,084,037	\$ 401,081,376	\$ 406,258,768	\$ (5,177,392)	1X Payment, Added Positions
Contracted Services	17,472,465	19,045,569	16,893,739	2,151,831	Rolled POs
Utilities	9,867,099	9,867,227	9,864,991	2,236	
Supplies and Materials	20,568,749	23,480,396	20,973,783	2,506,613	Police Dept
Other Operating Costs	7,215,413	7,691,546	7,010,598	680,948	
Debt Service	537,869	537,869	512,102	25,767	
Capital Outlay	132,316	1,743,096	1,743,096	-	Police Dept, Rolled POs for Tech, Plant Svcs
Recapture	11,484,229	11,678,718	11,678,718	-	
Total Expenditures	\$ 460,362,177	\$ 475,125,798	\$ 474,935,795	\$ 190,003	
Net Operating Results	\$ (11,862,602)	\$ (28,228,256)	\$ (27,997,858)	\$ 230,398	
Other Sources	270,000	270,000	270,000	-	
Transfers Out - Other	-	-	-	-	
Transfers Out - Health Insurance	(1,500,000)	(1,500,000)	(1,500,000)	-	
Net Change to Fund Balance	\$ (13,092,602)	\$ (29,458,256)	\$ (29,227,858)		
Beginning Fund Balance July 1	184,890,435	184,890,435	184,890,435		
Estimated Ending Fund Balance	\$ 171,797,833	\$ 155,432,179	\$ 155,662,577		
Fund Balance Expenditures/Items approved after budget adoption (included in expenditure calculations above)					
Added Positions/Increase in Expenditures	-	3,240,630	3,240,630	-	Board approved 8/8/24
Rolled Purchase Orders	-	3,027,753	3,027,753	-	Board approved 9/19/24
One-Time Payment	-	5,500,000	5,500,000	-	Board approved 10/24/24
Police Department start-up costs	-	2,506,156	2,506,156	-	Board approved 11/21/24 and 12/12/24
Hisle Elem NIFA Funds increased due to inflation	-	187,750	187,750	-	Board approved 8/22/24 and 9/19/24
Total Fund Balance Expenditures	\$ -	\$14,462,289	\$14,462,289	\$ -	

Leander ISD Board Meeting Agenda Item Information

Meeting Date: Thursday, February 27, 2025

Agenda Item:	Discussion of the 2025-2026 Budget Development: Potential impacts of budget cuts on district operations, instructional programs, personnel and facilities
Purpose:	<input checked="" type="checkbox"/> Discussion Item/Report Only <input type="checkbox"/> Action Requested
Administrator Responsible:	Pete Pape, Ed.D., CPA, Chief Financial Officer
Attachments:	2025-2026 Budget Update Presentation

Background Information:

Attached for the Board's review is a presentation providing updated information regarding the development of the 2025-2026 budget and potential impacts of budget cuts on district operations, instructional programs, personnel and facilities.

Included in the presentation are updates to the 2025-2026 Budget Assumptions approved by the Board during the [January 23, 2025 Board meeting](#). Since the time of those initial projections, events have transpired impacting the assumptions.

The 2025-2026 budget projection has been prepared using the updated assumptions.

Administrative Recommendation:

N/A

Sample Motion:

N/A



February 27, 2025

Discussion of the 2025-2026⁹³ Budget Development



Purpose

The purpose of tonight's presentation is to provide an update to the Board of Trustees on the development of the 2025-26 budget.



Legislative Update

Basic School Funding (Foundation School Program - FSP)

- **Basic Allotment (BA) Stays the Same** – Schools will still receive **\$6,160 per student**, even though this amount has increased in past years (?).

- **House Budget (Rider 3):**
 - **\$36.2 billion in FY 2026**
 - **\$35.7 billion in FY 2027**

- **Senate Budget (Rider 3):**
 - **\$35.9 billion in FY 2026**
 - **\$35.4 billion in FY 2027**

- **Local School Taxes Will Rise** – Property tax collections are expected to grow by **5.5% in 2025** and **4.94% in 2026**, which is higher than previous estimates.

- **Tax Rate Compression** – The percentage schools can tax will be reduced by **3.37 percentage points in FY 2026**.



Legislative Update

More Money for Schools (If Laws Pass)

- **House Contingency: Public Education Funding Increase** – House Rider 79 would add **\$2.425 billion per year** from General Revenue for public schools, but only if new legislation is passed.
- **Senate Contingency: Teacher Compensation** – Senate Rider 79 would add **\$4.1 billion** for **teacher pay raises** and **\$750 million** for the **Teacher Incentive Allotment (TIA)**, which rewards top-performing teachers with extra pay.
- **Contingency: Education Savings Accounts (ESA)** – Both budgets include **\$1 billion** in General Revenue for **Education Savings Accounts (ESA)** in **FY 2027**, which would help families pay for private ⁹⁶ school or homeschooling if a new law is passed (Rider 78).
- **Contingency: School Safety** – Both budgets include **\$200 million per year** for the **School Safety Allotment**, which helps schools pay for security improvements, such as cameras, fencing, and emergency response training (Rider 77).



Legislative Update

Taxes & Property Relief

- **\$51 billion total** will go to **new tax relief** and keeping previous tax cuts from **HB 3 (86th)**.
- **House Plan (Rider 76):** Includes **\$3.5 billion** from the **Property Tax Relief Fund** to reduce school district property taxes.

- **Senate Plan (Rider 76):**
 - **\$3.5 billion** to continue previous tax cuts.
 - **\$3 billion** from the **Property Tax Relief Fund**, but only if voters approve a **\$40,000 homestead exemption increase**.
 - **\$500 million** in tax relief for businesses.

- **Homestead Exemption Increase** – The Senate’s tax plan depends on a **constitutional amendment** that voters would have to approve.



Legislative Update

Helping Students & Teachers

- **School Health and Related Services (SHARS):**
 - **\$204,270,550 in FY 2026**
 - **\$204,796,669 in FY 2027**
 - This program helps students with disabilities get health care services at school (Medicaid Rider 3(p)).

- **Students with Disabilities (Rider 13):**
 - **10.5% of federal IDEA (Individuals with Disabilities Education Act) funds** will be set aside to improve special education programs.

- **Civics Training (Rider 64):**
 - **\$44 million** will be used to expand programs that teach civics education to teachers and school leaders.



Legislative Update

Helping Students & Teachers

- **Dual Credit (Rider 35 - HB 8 FAST Program):**
 - **\$78.65 million in FY 2026**
 - **\$86.515 million in FY 2027**
 - Helps high school students take college classes early, allowing them to earn college credits before graduating.

- **Open Education Resources (OER) (Rider 41):**
 - **\$245 million total**
 - **\$10 million per year for buying new OER materials.**
 - **\$13.8 million per year for reviewing and improving materials.**
 - **\$75.8 million per year to help teachers and schools use OER.**

- **Leadership Support (Rider 80):**
 - **\$15 million per year for Regional Education Service Center (RESA) District Leadership Coaching Teams** to help school administrators improve.



Legislative Update

Fewer Students in Public Schools

- **Public school enrollment is expected to drop, while charter school enrollment will slightly increase.**

- **Estimated student enrollment decline (Average Daily Attendance - ADA):**
 - **FY 2025: 5,095,452 students**
 - **FY 2026: 5,009,287 students**
 - **FY 2027: 4,990,137 students**

- **Charter School Enrollment Expected to Grow:**
 - **FY 2025: 414,961 students**
 - **FY 2026: 415,754 students**
 - **FY 2027: 434,072 students**



Legislative Update

Other Contingency Spending

- **Additional budget items in Article IX (contingent on new laws):**
 - **\$3 billion** for a **Dementia Prevention Research Institute**.
 - **\$2.5 billion** for the **Texas Water Fund** to improve water systems.
 - **\$850 million** for a **Texas State Technical College (TSTC) Endowment Fund**.
 - **\$650 million** for the **Texas University Fund**.
 - **15% pay increase** for certain judges and prosecutors.



2025-2026 Budget with Assumptions

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2025-26 Assumptions

Assumptions	Approved Assumptions	Updated Assumptions	Comments
Student Enrollment:	42,448	42,448	Projections utilized for staffing
Budget Parameter:	3%	3%	Amount changes as revenues are adjusted
Avg Daily Attendance Rate:	94%	94%	
Property Values:	4%	4%	
Property Tax Collection Rate:	99%	99%	
Staff Pay Increase:	0%	0%	Monitoring Legislative Action
Adjustments due to pay study:	\$ 3,000,000	\$ -	Monitoring Legislative Action
Staffing/Positions:	\$ 1,572,383	\$ 1,572,383	Potential to need additional PreK and special education staff/Positions to open 18+ and ECC
Insurance premium contribution:	\$ 2,479,800	\$ 2,479,800	
Budget Payroll at 98%	\$ (7,000,000)	\$ (7,000,000)	
M&O Rate	\$ 0.7394	\$ 0.7371	Updated CPTD = additional compression of MCR
I&S Rate	\$ 0.3300	\$ 0.3300	
State revenues	\$ 445,615,771	\$ 446,715,771	Gold Penny yield increase to \$132.40

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2025-26 Budget with Updated Assumptions

Early Estimate
2025-26

PROJECTED ENROLLMENT (<i>Reduced growth</i>)	42,448
TOTAL ESTIMATED REVENUES:	<u>\$ 445,615,771</u>
TOTAL PAYROLL EXPENDITURES:	\$ 410,206,275
TOTAL OPERATING EXPENDITURES:	\$ 57,402,284
ESTIMATED RECAPTURE:	\$ 12,490,440
TOTAL OPERATING AND PAYROLL EXPENDITURES:	<u>\$ 480,098,999</u>
RESULTS FROM OPERATIONS:	<u>\$ (34,483,227)</u>
OTHER TRANSFERS IN/OUT	
Other Sources/One-time Workers' Comp transfer	270,000
Transfers Out - Healthcare	-
TOTAL TRANSFERS IN/OUT:	\$ 270,000
TOTAL SURPLUS/DEFICIT FOR ADOPTION:	<u>\$ (34,213,227)</u>
.....	
BUDGET PARAMETER	
Budget Deficit Threshold - 3% of Revenues	\$ 12,993,760
Deficit (Exceeding)/Within Budget Parameter	<u>\$ (21,219,467)</u>



2025-26 Budget Planning

Beginning 2025/26 Deficit > 3%		\$ (21,219,467)	Cumulative
Central Office Reductions	-6.0%	3,000,000	(18,219,467)
Expenditure reductions for reduced enrollment staffing	-0.9%	2,157,249	(16,062,218)
Expenditure reductions identified at 1/29 & 1/30 Chief meetings	-4.9%	10,672,400	(5,389,818)
TASB Salary Study Recommendations		3,000,000	(2,389,818)
Gold Penny yield increase to \$132.40		1,100,000	(1,289,818) ₁₀₅
Eliminate IB at Elementary and Phase out at HS		597,370	(692,448)
Phase II – Police Department		(1,850,000)	(2,542,448)
Ending 2025/26 Deficit > 3% *		\$ (2,542,448)	

* Budget Parameter \$ will change as revenues are adjusted.



2025-26 Budget Planning

3% Budget Parameter - approved January 23, 2025

- 3% of Revenue (net recapture)
- \$12,993,763 *

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* Budget Parameter \$ amount will change as revenues are adjusted.



Strategies for Revenue Growth

Attendance Initiative

Attendance is a powerful predictor of student outcomes.

Districtwide Average Daily Attendance is ↓ more than 2% from pre-Covid years.

A 1% change in the attendance percentage yields approximately a \$3MM change in funding.

Historical Attendance Data by Six Weeks							
Year	1st	2nd	3rd	4th	5th	6th	Final AVG
2024-25	95.97	94.87	93.26				94.7
2023-24	95.6	94.5	92.4	92.7	93.9	92.6	93.6
2022-23	95.6	93.0	92.3	94.1	93.8	92.6	93.6
2021-22	93.6	94.7	93.8	89.2	94.1	93.0	93.1
2020-21	<i>Covid Attendance Adjustments</i>						
2019-20	<i>Covid Attendance Adjustments</i>						
2018-19	97.5	96.4	95.7	95.6	95.6	95.6	96.07
2017-18	97.5	96.6	95.4	94.5	96.2	95.4	95.9
2016-17	97.4	96.7	96.2	95.3	95.9	95.5	96.2
2015-16	97.4	96.4	96.1	95.7	96.0	95.3	96.2
2014-15	97.3	96.7	95.6	94.9	95.7	94.9	95.9
2013-14	97.4	96.7	95.3	96.0	96.2	95.4	96.2



Strategies for Revenue Growth

VATRE



- 3 Copper Pennies Available
- August 19 - Deadline to order a VATRE
- Each penny = \$2.4MM (net)
- Copper penny collections **retained** by district = 54%
- Copper penny collections **recaptured** by state = 46%
- **\$7.2MM** in new revenue



Exploring Revenue Enhancements

Increase Current Fees

- Facility Rentals
- Tech Devices
- Student Transfers

10% increase \cong \$200K

New Revenue Streams

- District/Bus Advertising
- Increase CTE course offerings
- Community Tuition Based Pre K
- Open Enrollment



Exploring Revenue Enhancements

Secondary Master Schedule

- District standards/norms
- Allocate Resources efficiently and effectively
- Student Off Periods

WADA

- Free & Reduced applications
- Proper coding of students through PEIMS
- CTE program/district philosophy

Program Review

- Review programs for efficiency and effectiveness
- Intentional focus on CTE
- Build district choice programs (schedule alignment)
- Move expenditures out of General Fund

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Apparent Class Size vs. Actual Class Size

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Staffing Ratios vs Class Size

Apparent Class Size

- Consider a high school with 1800 students and 90 teachers

$$\frac{1800 \text{ Students}}{20 \text{ Students/Class}} = 90 \text{ Teachers}$$

- But Real Class size depends on schedule



Staffing Ratios vs Class Size

- $\frac{\# \text{ Periods per day} \times \# \text{ Students}}{\# \text{ Courses Taught} \times \# \text{ Teachers}} = \text{Average Class Size}$
- $\frac{7 \times 1800}{5 \times 90} = 28 \text{ students per class}$



Staffing Ratios vs. Class Size

1800 Students & 90 Teachers (in each case)

Schedule Model

Class Size

3/4 (same as 6/8)

26.6

5/6

24.0

6/7

23.3

5/7

28.0

7/8

22.9

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DISCUSSION

Leander ISD Board Meeting Agenda Item Information

Meeting Date: Thursday, February 27, 2025

Agenda Item: Consider Approval of FY25 Budget Amendment - #8
Purpose: Discussion Item/Report Only Action Requested
Administrator Responsible: Pete Pape, Ed.D., CPA, Chief Financial Officer
Attachments: FY25 Budget Amendment - #8

Background Information:

The Board of Trustees adopted the 2024-2025 budget during the [June 27, 2024 Regular Board Meeting](#). Budgets for the General Operating, Child Nutrition, and Debt Service Funds were included in the official district budget. Budgets are prepared and approved at fund and function levels to comply with the state's required level of control.

Budget amendments are necessary throughout the year to realign funds. Realignment of funds will increase and/or decrease various function levels within the budget. All necessary budget amendments that change the function level should be formally approved by the Board of Trustees and recorded in Board minutes. Budget amendments increasing or decreasing revenues and/or expenditures also require formal Board approval.

The attached document summarizes the effect of budget transfers and amendments being proposed. Submitted for approval are the budget revisions/amendments for the items listed below.

The amendments for the **General Operating Fund** (Funds 197 and 199) are as follows:

- Increase of \$10,611 to revenue and expenditure budgets in Fund 197 for athletic tournaments.
- Increase of \$324,782 to revenue and expenditure budgets in Fund 199 for the yield restriction liability. The increase to estimated revenue and expenditure budgets has no impact on total operating deficit/surplus.
- Transfers among functions with no effect on the total operating deficit/surplus.

Amendments to the General Fund have no effect on the total operating deficit/surplus.

There are no amendments to the **Child Nutrition Fund** and **Debt Service Fund**.

Administrative Recommendation:

Administration recommends that the Board approve FY25 Budget Amendment - #8 as presented.

Sample Motion:

I move the Board of Trustees approve FY25 Budget Amendment - #8 as presented.

Leander Independent School District
General Fund - Fund 199
Budget Amendments/Transfers as of February 17, 2025

	2024-2025 Original Budget	Previously Amended Budget	Proposed Amendments 02/17/25	Proposed Amended Budget
Revenues:				
Local Sources	\$ 346,031,030	\$ 345,696,826	\$ 335,393	\$ 346,032,219
State Sources	96,578,545	95,338,415	-	95,338,415
Federal Sources	5,890,000	5,890,000	-	5,890,000
TOTAL REVENUES	\$ 448,499,575	\$ 446,925,241	\$ 335,393	\$ 447,260,634
Expenditures:				
Function 11 - Instruction	\$ 272,220,415	\$ 277,770,027	\$ (179,077)	\$ 277,590,950
Function 12 - Instructional Resources & Media	4,892,740	4,978,414	150	4,978,564
Function 13 - Staff Development	11,031,670	11,336,937	77,644	11,414,581
Function 21 - Instructional Administration	5,057,353	5,269,510	(1,020)	5,268,490
Function 23 - School Administration	25,423,912	25,903,682	21,897	25,925,579
Function 31 - Guidance & Counseling	22,435,390	23,060,961	(631)	23,060,330
Function 32 - Social Services	1,678,114	1,694,285	-	1,694,285
Function 33 - Health Services	4,363,260	4,420,440	300	4,420,740
Function 34 - Student Transportation	14,176,050	14,783,321	-	14,783,321
Function 35 - Food Services	11,800	60,745	-	60,745
Function 36 - Co-Curricular Activities	14,168,459	14,550,146	10,954	14,561,100
Function 41 - General Administration	11,209,284	12,148,099	74,560	12,222,659
Function 51 - Plant Maintenance & Operations	42,659,929	44,748,125	4,030	44,752,155
Function 52 - Security	4,303,903	6,981,615	1,804	6,983,419
Function 53 - Data Processing	9,549,638	10,005,495	-	10,005,495
Function 61 - Community Services	2,214,218	2,278,177	-	2,278,177
Function 71 - Debt Service	537,869	537,869	324,782	862,651
Function 81 - Capital Outlay	-	8,400	-	8,400
Function 91 - Contracted Instruction Services	11,484,229	11,678,718	-	11,678,718
Function 95 - JJAEP	230,000	224,588	-	224,588
Function 99 - Other Intergovernmental Charges	2,713,944	2,713,944	-	2,713,944
TOTAL ALL EXPENDITURES	\$ 460,362,177	\$ 475,153,497	\$ 335,393	\$ 475,488,890
Excess/(Deficiency) of				
Revenues vs. Expenditures	\$ (11,862,602)	\$ (28,228,256)	\$ -	\$ (28,228,256)
Other Financing Sources/Uses				
Sale of Assets	\$ 270,000	\$ 270,000	\$ -	\$ 270,000
Transfer Out - Other	-	-	-	-
Transfer Out - Healthcare	(1,500,000)	(1,500,000)	-	(1,500,000)
Transfer Out - Healthcare Additional Contribution	-	-	-	-
Other Uses - Settlements	-	-	-	-
Total Other Financing Sources/Uses	\$ (1,230,000)	\$ (1,230,000)	\$ -	\$ (1,230,000)
Net Increase/(Decrease) in Fund Balance	\$ (13,092,602)	\$ (29,458,256)	\$ -	\$ (29,458,256)
Beginning Fund Balance as of 7/1/2024				
Total Beginning Fund Balance of Fund 19X *	\$ 184,890,435	\$ 184,890,435		\$ 184,890,435
Net Operating Results - Fund 199	(13,092,602)	(29,458,256)		(29,458,256)
Net Operating Results - All General Fund 19X	(13,092,602)	(29,458,256)		(29,458,256)
Projected Ending Fund Balance	\$ 171,797,833	\$ 155,432,179		\$ 155,432,179

*Audited per 2024 ACFR