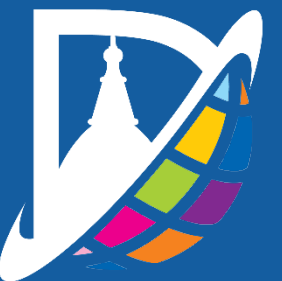


# DENTON ISD

## 1925 COMMITTEE



**Our Mission:** Empowering lifelong learners to be engaged citizens who positively impact their local and global community.



# OUR WHY

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The purpose of the 1925 Committee is to become educated about Texas public school finance, develop sustainable recommendations to district leadership regarding how to prioritize its' financial resources, and develop advocacy within our community and among our elected officials. The factors to be considered are as follows:

- A lack of per pupil funding increase since 2019
- Implementation of unfunded mandates
- 18+% increase in consumer price index since 2020
- Opportunities to generate additional revenue

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Empowering Lifelong Learners

# TEXAS PUBLIC SCHOOL FINANCE

## State of Texas

- 5.4 million students; 376,000+ teachers
- 1200+ school districts
- Funding system is known as the Foundation School Program (FSP)

## Texas Constitution - Article 7, § 1:

*A general diffusion of knowledge being essential to the preservation of the liberties and rights of the people, it shall be the duty of the Legislature of the State to establish and make suitable provision for the support and maintenance of an efficient system of public free schools.*

**Adequacy** is the principle of enough resources to provide for students' educational needs.

**Equity** is the principle of ensuring similar access to resources at similar levels of tax effort given similar costs, regardless of districts' relative levels of property wealth per student.

**Efficiency** is the principle that seeks to ensure that resources are productive of educational outcomes, with little waste.

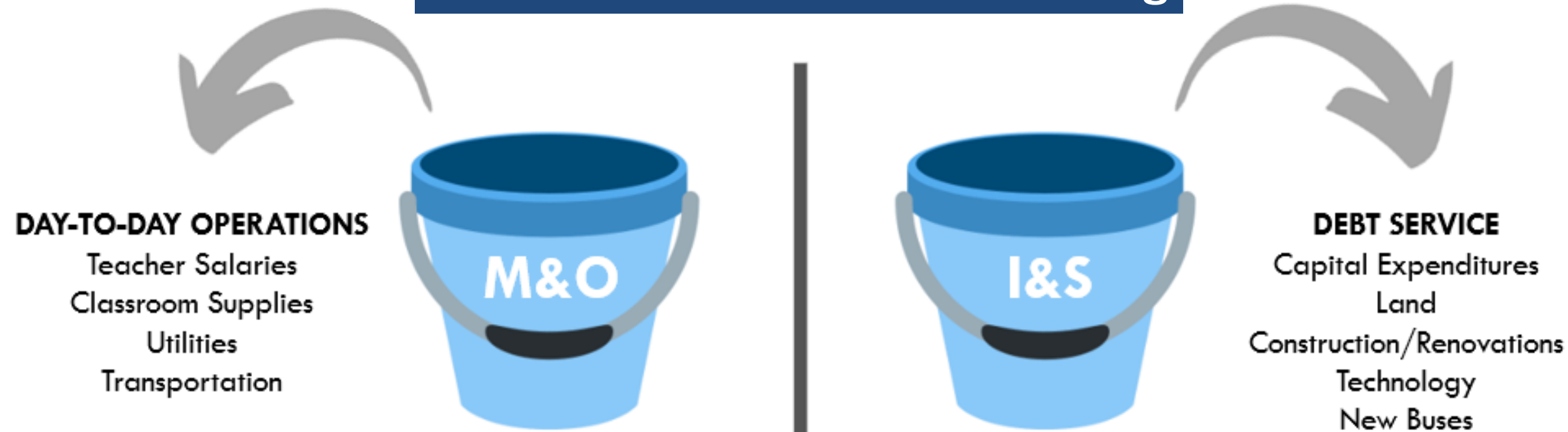
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# TEXAS PUBLIC SCHOOL FINANCE

## Two “Buckets” of State Funding



The size of the M&O “bucket” is based on average student attendance and student attributes - **not the amount of property taxes collected locally**

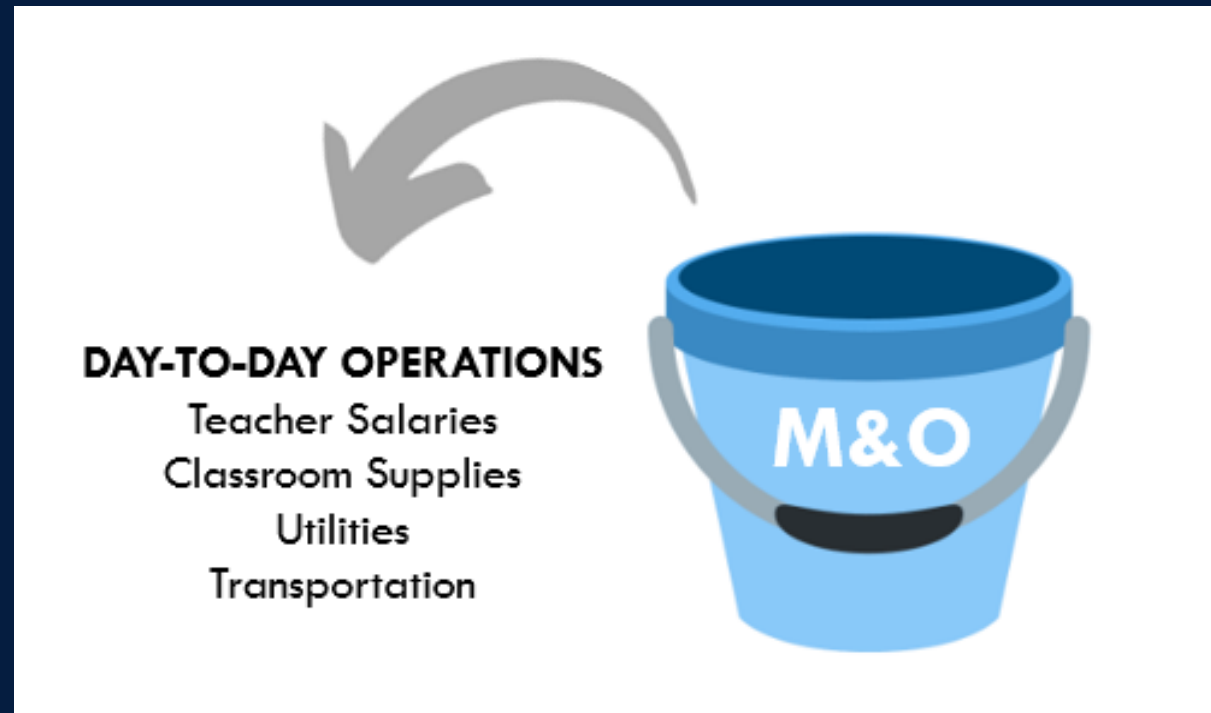
TEA sets the Maximum Compressed Rate (MCR) annually for the District

The Board of Trustees sets the I&S tax rate based on debt service payment requirements

The I&S rate is capped at \$0.50 (per \$100/valuation)



# TEXAS PUBLIC SCHOOL FINANCE



**\$0.6169**

**\$0.06**

**Tier 1** is designed to provide funding for a basic, or foundation, educational program for all students, based primarily on student counts and student attributes. Each district has a basic entitlement under Tier 1. Most of this amount is determined by applying various funding weights to student counts and multiplying that by the basic allotment of \$6160. The weights are applied to account for differences in the cost of educating students in different educational programs or settings or with different characteristics.

**Tier 2** provides funding for an enrichment program. Districts are limited to a maximum of 17 cents of tax effort in Tier 2. Because of the varying yields, the 17 cents are divided into golden pennies (8) and copper pennies (9). A district must get voter approval before it can levy more than 5 cents in Tier 2.

**Recapture:** If a district's property wealth is high enough to generate revenue in excess of entitlement, the district must take steps to reduce excess local revenue. This is often referred to as recapture. There is no recapture on the golden penny portion of Tier 2 or on interest and sinking (I&S) fund taxes levied to repay bonded debt. Texas Education Code Chapter 49 provides five options for a district to reduce excess revenue.

**Foundation School Program (FSP)** is a system of formulas that determine an individual district's total funding amount. A district is then responsible for generating a state-assigned local share through local ad valorem ("according to value") property taxes. The state makes up any difference between the district's entitlement and local property tax revenue with state aid. If a district has sufficient property wealth to generate more than its state-determined funding amount, then the district must return the excess to the state (recapture).

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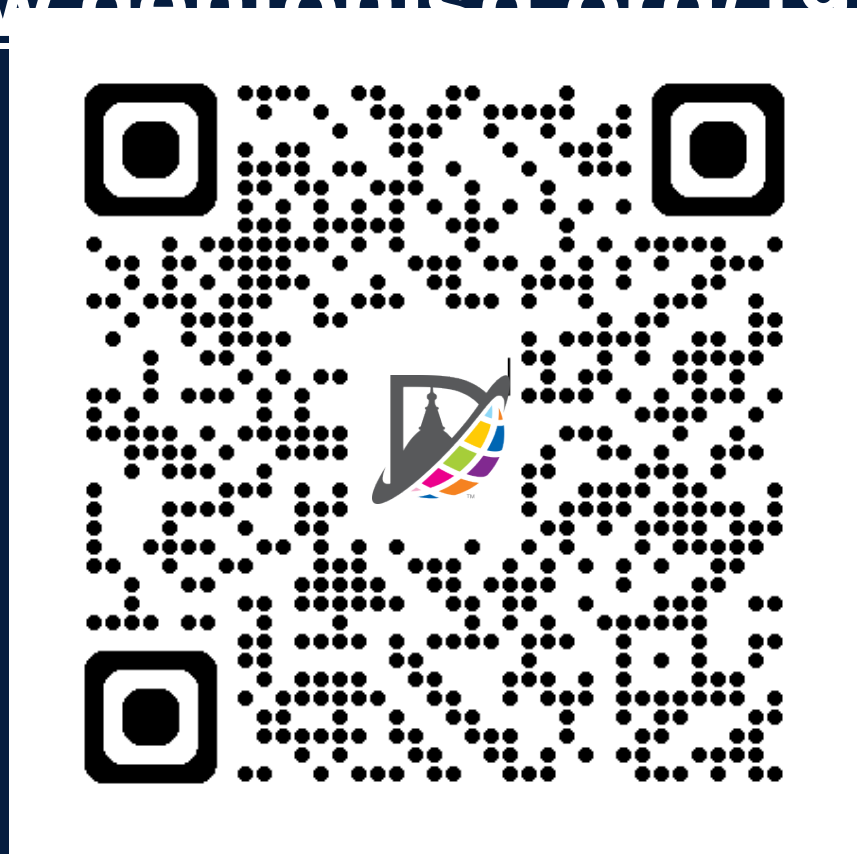
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# TRANSPARENCY IN DENTON ISD

Denton ISD is focused on ensuring transparency throughout this educational budget planning process.

All meeting information can be accessed at:

[www.dentonisd.org/1925](http://www.dentonisd.org/1925)



A screenshot of the Denton ISD website page for the 1925 Advisory Committee. The page features a header image of a meeting with the text '1925 ADVISORY COMMITTEE' overlaid. Below the header, the page title '1925 ADVISORY COMMITTEE' is displayed. There are two navigation buttons: '1925 Home' and 'Committee'. The 'Values' section states: 'Growth &amp; Management... In pursuit of excellence, we value utilizing citizens' advisory committees to focus on short and long-term tasks.' The 'Committee Objective' section states: 'This Committee is being created to understand Texas School Finance, evaluate staffing formulas and programming, analyze budgeted allocations of resources to current District programs, and offer feedback to the District's executive cabinet regarding how to prioritize reductions to budgeted expenditures and to maximize revenues in order to accomplish District budget goals. It is our desire to educate leaders within our community in order to seek input and facilitate informed decision making and advocacy in ways that align with the District's mission, vision and goals.' A video player is visible on the right side of the page, showing a map of Texas with school icons and a play button. The video title is 'How Public Schools to Texas State Budget Provide...'. The video player includes a 'Watch on YouTube' button.

# WHERE DENTON ISD STANDS

## Since the beginning of the 23-24 School Year:

- \$6,592,071 School Health and Related Services (SHARS) loss of funding
- \$7,438,226 Transportation funding gap
- \$4,440,228 Safety and Security requirements annual funding gap from House Bill 3, 88(R)
- \$256,338 Denton County Appraisal District cost increase
- \$2,529,103 (and climbing) Utilities cost increase
- \$1,545,452 Property Casualty Insurance cost increase
- \$10,000,000 in raises in 2023 based on assurances that the \$4 billion in the state budget would be flowed to public schools

0000

**\$32,801,418**  
**TOTAL**  
**BUDGET**  
**IMPACT**

2024-2025 Revenue:  
— 2024-2025 Expenditures: **\$342,048,541**

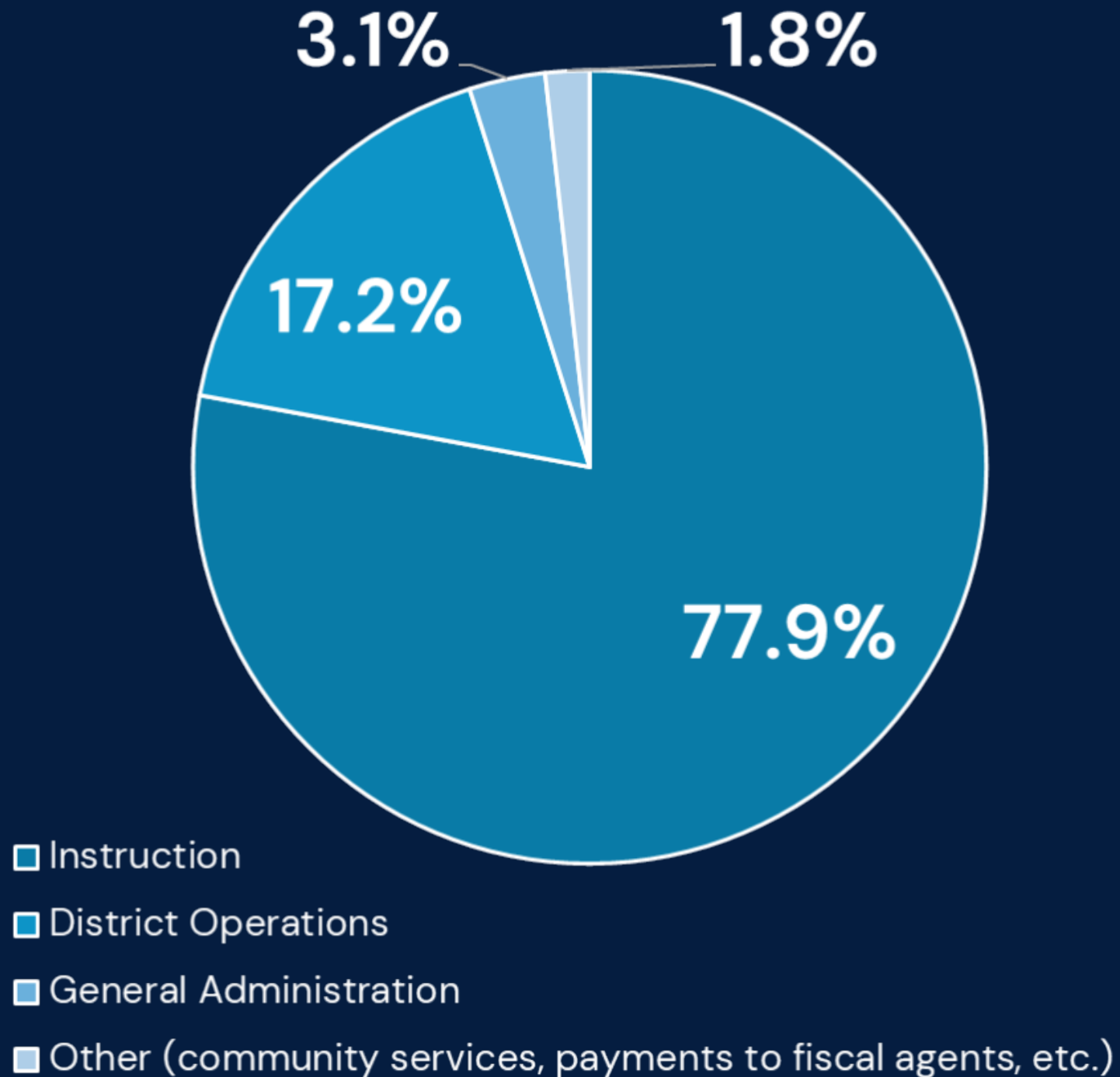
**2024-2025 Deficit Budget:**  
**\$19,917,396**

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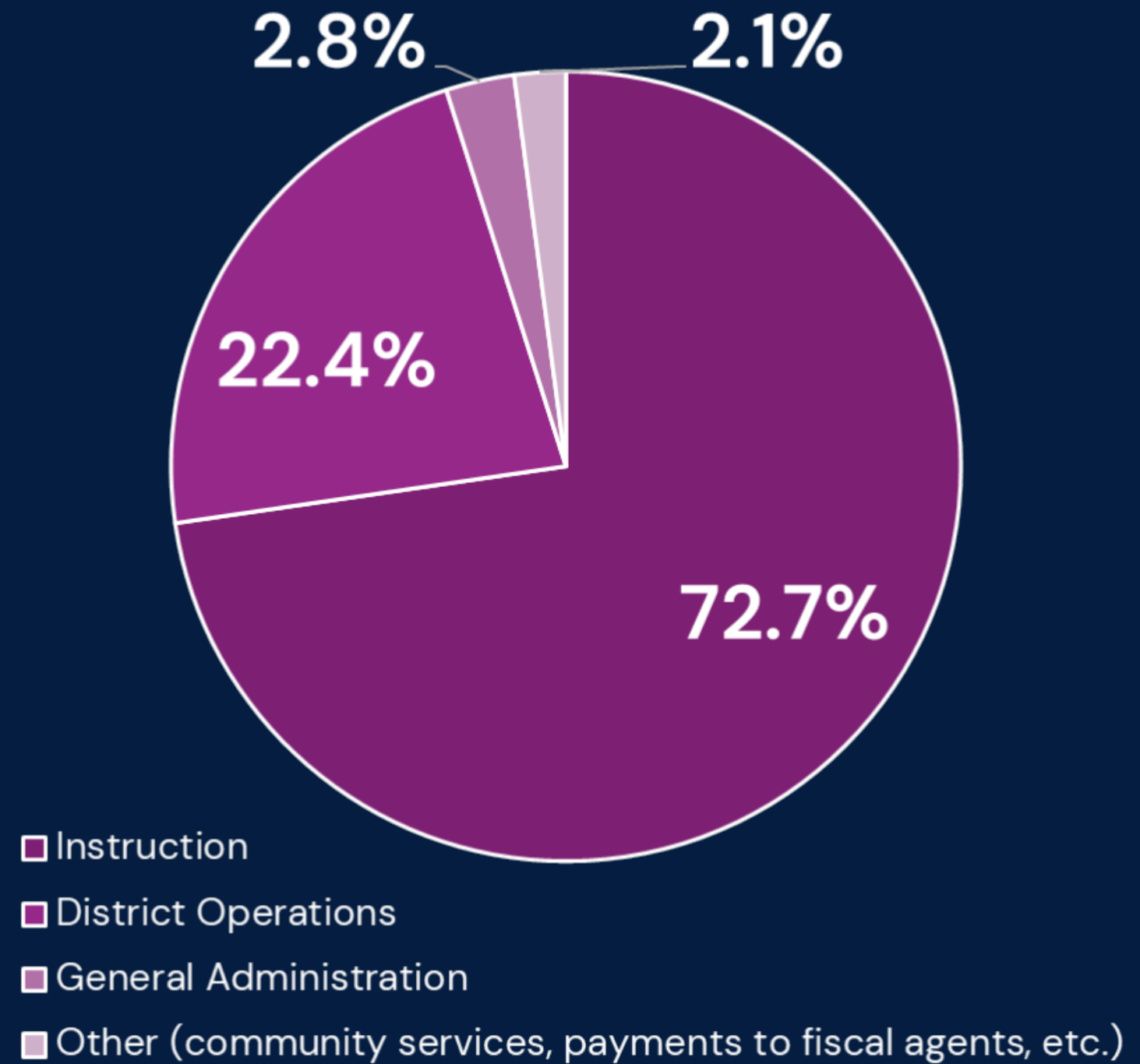


# BUDGET ALLOTMENT CHANGES SINCE 2019

## 2019-2020 General Fund Expenditures



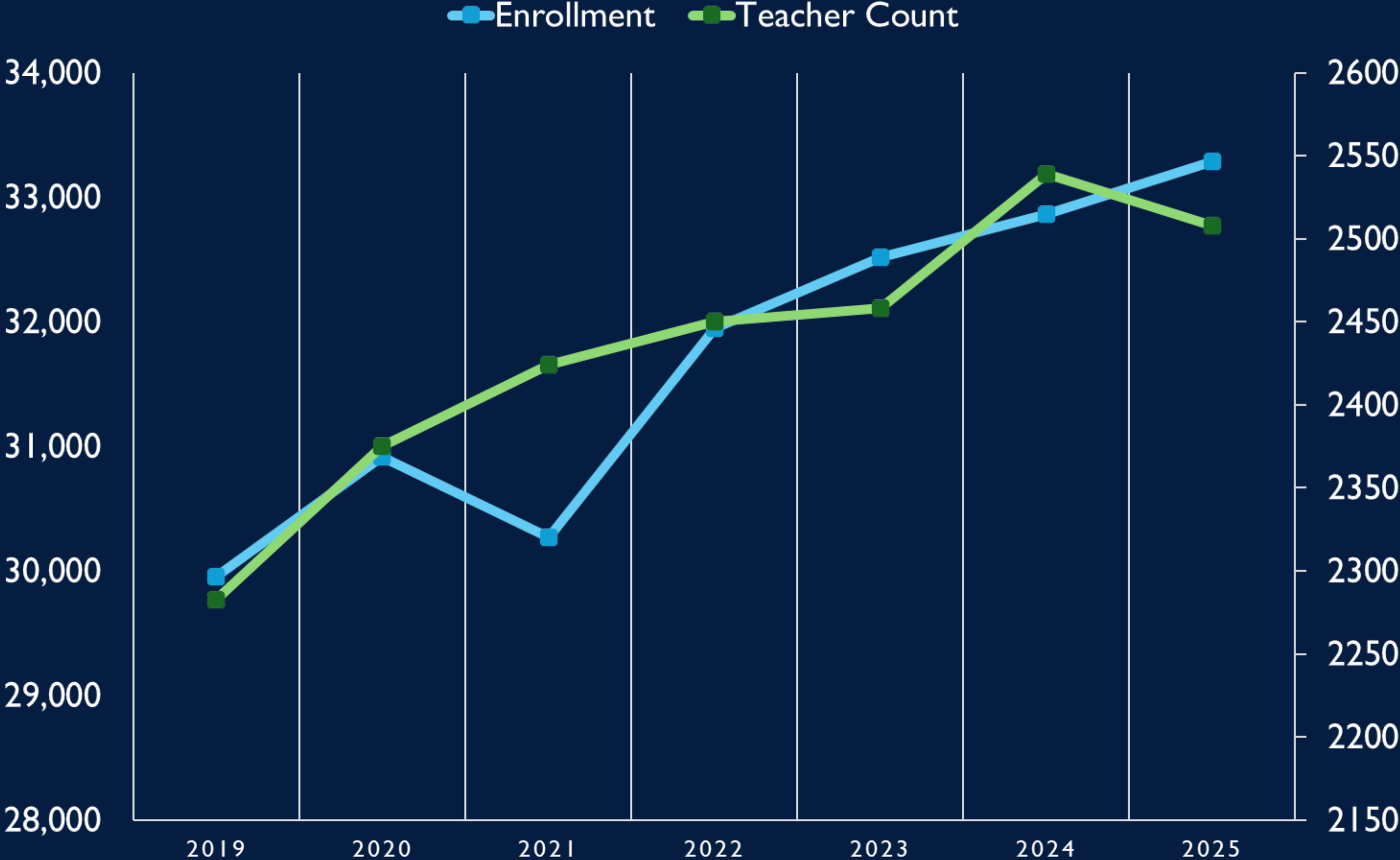
## 2023-2024 General Fund Expenditures



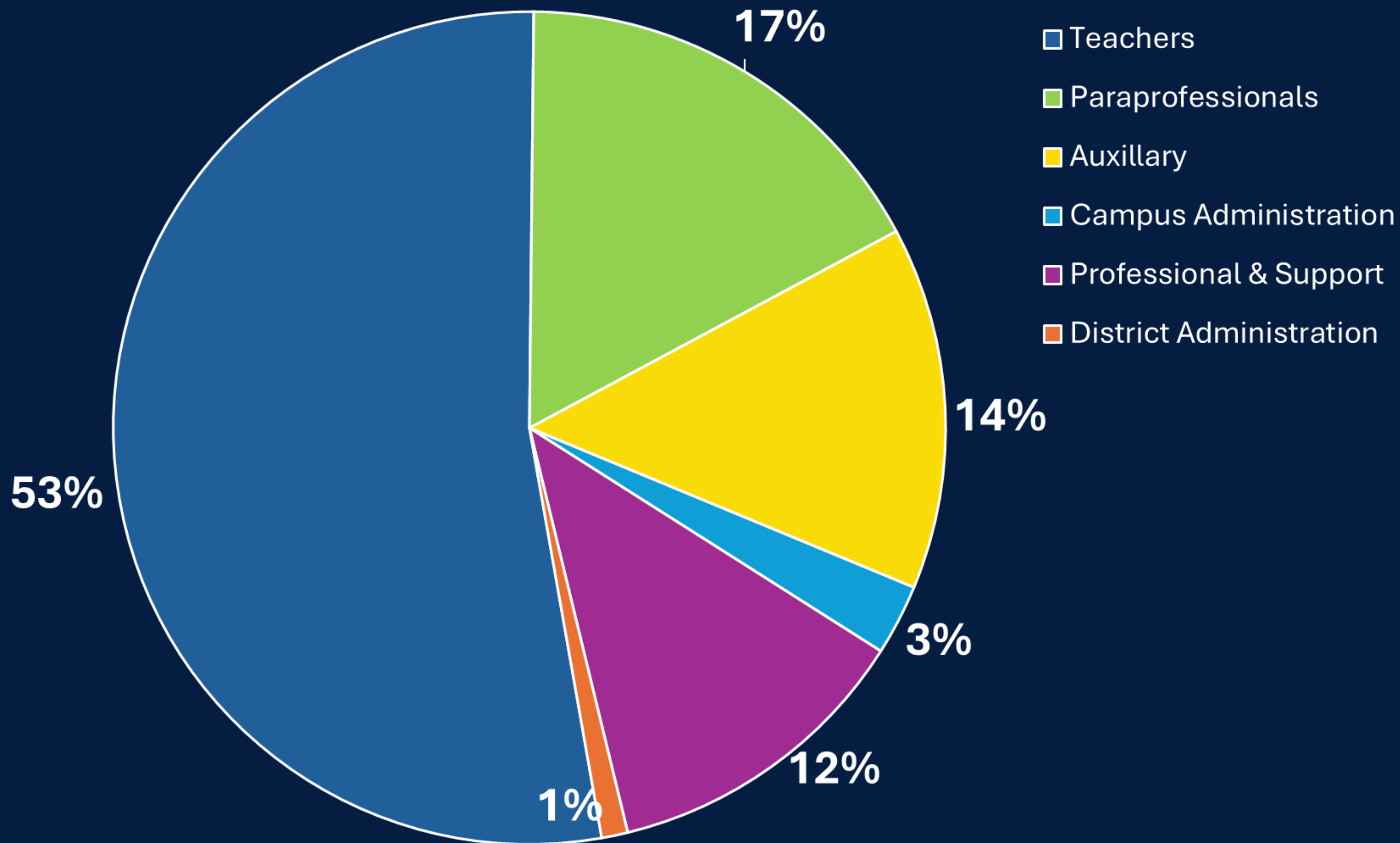


# ENROLLMENT & TEACHER COUNT

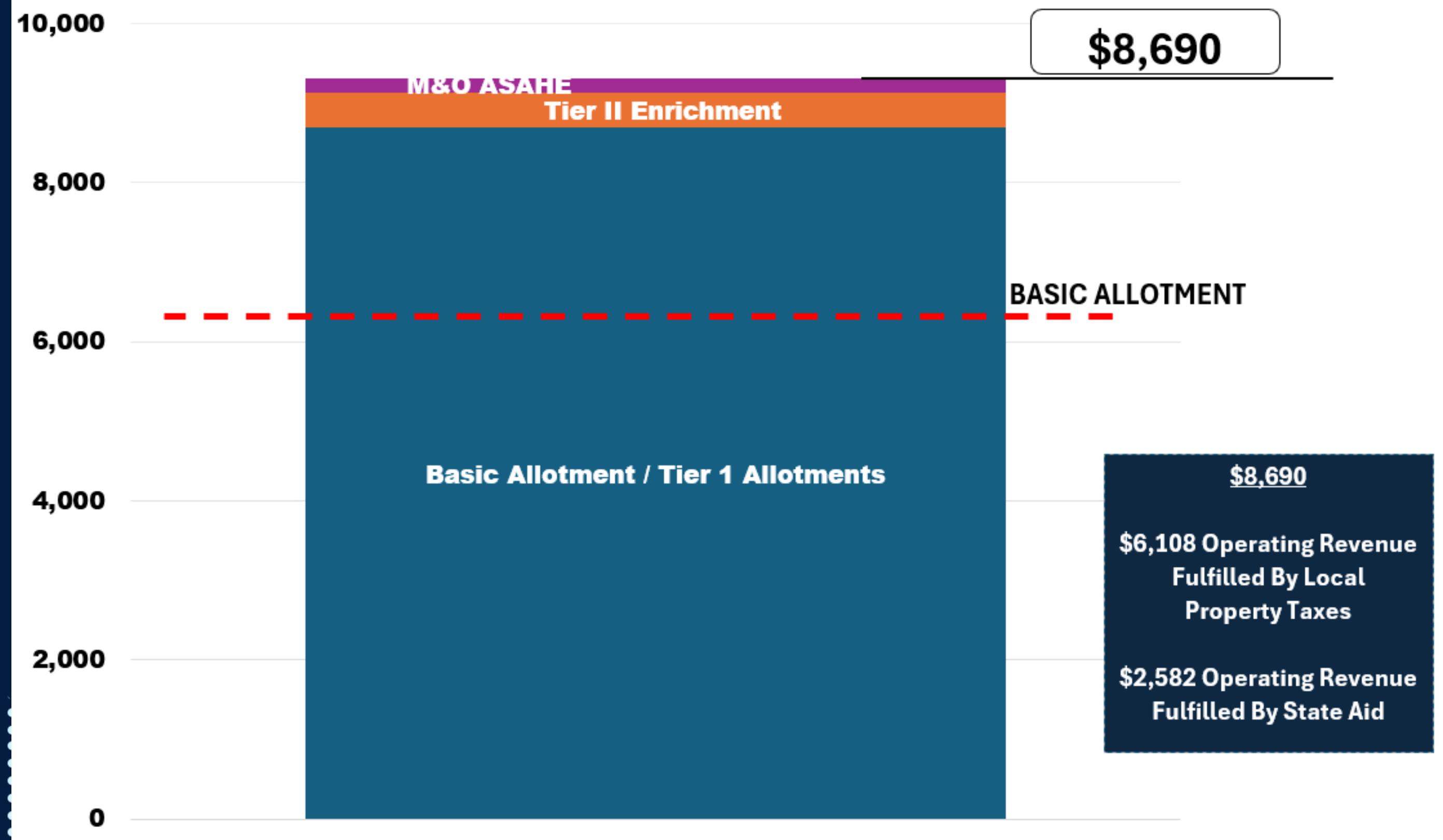
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# DENTON ISD STAFF COMPOSITION



### DENTON INDEPENDENT SCHOOL DISTRICT 2023-2024 REVENUE PER AVERAGE DAILY ATTENDANCE AVAILABLE FOR DAILY OPERATION



\$  
1,889,297.1  
5

# PEER DISTRICTS EXECUTIVE CABINET

Average Payroll:  
\$1,948,965.88



Denton ISD  
\$1,653,673



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# CONSIDERATIONS AFTER 3 MEETINGS

<u>Description</u>	<u>Proposed Reduction</u>	<u>Reduction</u>
Class Size Adjustments	\$7,912,924	PK-1, 22:1; 2-4 24:1; 5-12 27:1
Classroom Support Professionals	\$639,000	
Extra/Co Curricular Adjustments	\$200,000	
Non-Campus Payroll	\$2,591,802	21 Professional, 15 Paraprofessional
Non-Campus Operating Budget	\$1,260,400	3.6% Reduction
Total	\$12,604,126	3.6% Total Reductions





# Prioritizing Considerations

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# 3 Lenses for Consideration

1. Maintain our primary focus on teaching and learning.
2. Long term viability for Denton ISD.
3. Substantial impact to our overall budget.



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# Technology–Division-wide

<u>Description</u>	<u>Amount</u>
Redefine Technology Support Model	\$200,000+





# School Leadership & Programs

<u>Description</u>	<u>Amount</u>
Consider reducing student co/extracurricular programs	\$250,000 +

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# Maintenance & Operations

<u>Description</u>	<u>Amount</u>
Increase Transportation to 2.5 Mile	\$ 586,626.00
Increase Transportation to 3.0 Mile	\$ 1,450,367.00
Eliminate 5 Hazardous Routes	\$ 136,374.00

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# Middle School Class Size

<u>Description</u>	<u>Additional Savings</u>
Student:Teacher = 28:1	\$969,992.00



# High School Class Size

<u>Description</u>	<u>Additional Savings</u>
Student:Teacher = 28:1	\$1,190,742.00
Student:Teacher = 29:1	\$2,299,364.00



# Middle School Master Schedule

<u>Description</u>	<u>Additional Savings</u>
All Contents Teach 7 of 8 periods	\$2,704,127.00



# High School Master Schedule

<u>Description</u>	<u>Additional Savings</u>
All Contents Teach 7 of 8 periods	\$4,762,969



# Revenue Potential

<u>District</u>	<u>MCR + \$0.06</u>	<u># Pennies Over MCR</u>	<u>Potential Revenue</u>
Option 1	\$0.6169 + .06	\$0.02	\$10,521,779
Option 2	\$0.6169 + .06	\$0.03	\$16,072,059



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# Legislative Session

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# DEFICIT AREAS IN DENTON ISD



**Pre-K Programing**

**\$2,490,955**



**Special Education**

**\$9,859,333\***



**Transportation**

**\$7,438,226**



**Safety and Security**

**\$4,440,228**

# APPROACHES TO SCHOOL FUNDING

**FLEXIBLE**

Basic Allotment

**TARGETED**

Early Education  
Reforms

Special  
Education

Teacher Pay

School Safety

# BASIC ALLOTMENT INCREASE – COST ESTIMATE

Assumes all other aspects of FSP remain current law

State Cost and Related Implications per Various Increases in FSP Basic Allotment assumed to take effect in FY26			
Basic Allotment	Increase from Current Law	Annual State Cost (in billions)	Biennial State Cost (in billions)
\$6,260	\$100	\$0.735	\$1.5
\$6,360	\$200	\$1.470	\$2.9
\$6,460	\$300	\$2.200	\$4.4
\$6,560	\$400	\$2.960	\$5.9
\$6,660	\$500	\$3.7	\$7.4
\$6,760	\$600	\$4.4	\$8.8
\$6,910	\$750	\$5.6	\$11.2
\$7,160	\$1,000	\$7.4	\$14.8
\$7,500	\$1,340	\$9.9	\$19.8

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# BASIC ALLOTMENT INCREASE – Special Education

Assumes all other aspects of FSP remain current law

State Cost and Related Implications per Various Increases in FSP Basic Allotment assumed to take effect in FY26			
Basic Allotment	Increase from Current Law	Average Annual Increase in Tier 1 Special Education Allotment for FY 26 & FY 27 (in millions)	% Increase in Tier 1 Special Education Allotment
\$6,260	\$100	\$103.1	1.6%
\$6,360	\$200	\$206.2	3.2%
\$6,460	\$300	\$309.3	4.9%
\$6,560	\$400	\$412.4	6.5%
\$6,660	\$500	\$515.5	8.1%
\$6,760	\$600	\$618.7	9.7%
\$6,910	\$750	\$773.3	12.2%
\$7,160	\$1,000	\$1,031.1	16.2%
\$7,500	\$1,340	\$1,381.7	21.8%

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# BASIC ALLOTMENT INCREASE – School Safety

Assumes all other aspects of FSP remain current law

State Cost and Related Implications per Various Increases in FSP Basic Allotment assumed to take effect in FY26			
Basic Allotment	Increase from Current Law	Average Annual Increase in Tier 1 School Safety Allotment for FY 26 & FY 27 (in millions)	% Increase in Tier 1 School Safety Allotment
\$6,260	\$100	\$10	5.4%
\$6,360	\$200	\$20	10.9%
\$6,460	\$300	\$30	16.3%
\$6,560	\$400	\$40	21.8%
\$6,660	\$500	\$50	27.2%
\$6,760	\$600	\$60	32.6%
\$6,910	\$750	\$75	40.8%
\$7,160	\$1,000	\$100	54.4%
\$7,500	\$1,340	\$133.9	72.9%

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# BASIC ALLOTMENT INCREASE – Teacher Compensation

Assumes all other aspects of FSP remain current law

**State Cost and Related Implications per Various Increases in FSP Basic Allotment assumed to take effect in FY26**

Basic Allotment	Increase from Current Law	Average FTE (Teachers, Counselors, Nurses & Librarians)	Average FTE All Non-Administrator Staff
\$6,260	\$100	\$410	\$74
\$6,360	\$200	\$822	\$148
\$6,460	\$300	\$1,242	\$223
\$6,560	\$400	\$1,666	\$299
\$6,660	\$500	\$2,081	\$374
\$6,760	\$600	\$2,495	\$448
\$6,910	\$750	\$3,112	\$559
\$7,160	\$1,000	\$4,129	\$742
\$7,500	\$1,340	\$5,505	\$989

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