# ARGYLE ISD BOARD BUDGET WORKSHOP

**June 5, 2025** 



#### **Agenda**

- Budget Summary w/Staffing Plan
- Legislative Update HB2
- HB2 Impact
- Compensation
- Budget Outlook
- Next Steps





#### **Recap From April Budget Workshop Staffing Plan**

- Incorporates budget priorities and staff survey input
  Maintain staffing ratios
  Focused on learning environment
  <u>Draft Staffing Plan</u>



## Recap From April Budget Workshop Big Picture

- Campus Allocations
- Department Zero Based Budgets
- Staffing Plan Approved
- Reserved for Compensation Plan \$2M
- Budget Deficit \$1.4M



## Legislative Update

- 89th Legislative Session
- January 14th June 2nd
- \$8.5B School Funding Bill



## HB2 interpretation is evolving day-by-day and subject to change.



#### HB 2 SCHOOL FUNDING



\$4.2 BILLION FOR NEW TEACHER **RETENTION & SUPPORT STAFF** 

CLASSROOM TEACHER RAISES

DISTRICT ENROLLMENT	3-4 YEARS EXPERIENCE	5+ YEARS EXPERIENCE
< 5,001	\$4,000	\$8,000
> 5,000	\$2,500	\$5,000

Raises must be provided to teachers in the 2025-26 school year; districts will receive a permanent allotment to maintain the onetime increase in compensation

OTHER STAFF RAISES

\$45 per adjusted ADA to be used for all other staff other than campus or central

TEACHER INCENTIVE ALLOTMENT



\$1.3 BILLION IN THE "ABC" ALLOTMENT:

\$106 per enrolled student for the "Allotment for Basic Costs" that can be used on

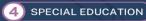
- transportation
- utilities
- property & casualty insurance
- providing health insurance and other employee benefits
- paying TRS contributions
- paying payroll taxes
- · rehiring retirees





Increases both the per student and per campus allotments

- \$20 per ADA (from \$10)
- \$33.540 per campus (from \$15.000)



Transitions to an intensity of servicesbased funding model beginning in 2026-27



**MISCELLANEOUS** 

#### \$55 INCREASE IN THE BASIC ALLOTMENT:

Reallocates \$800 million previously designated for the Golden Penny yield into the basic allotment, and establishes a mechanism to automatically increase the basic allotment as property values increase

#### **ADDITIONAL PROVISIONS**

- \$300 million increase in the small and mid-sized allotment
- \$135 million for Teacher Preparation & Certification Programs
- \$153 million for CTE
- \$200 million for Charter School Facilities
- Adjusts Early Education Allotment to fund full-day Pre-K at ADA and redistributes the remainder proportionately
- Free Pre-K for students of teachers



## **HB2 Legislative Update**

- Basic allotment increase \$55/ADA
  - o Freeze guaranteed yield
- Teacher retention allotment -
  - 3-4 year classroom teacher: \$2,500
  - 5+ year classroom teacher: \$5,000
- Support staff retention allotment \$45/Adjusted ADA
- Allotment for basic costs \$106/ADA
- SPED allotment shift to intensity based service
- School safety allotment \$20/ADA + \$33,540/campus
- Teacher incentive allotment
- Early education allotment additional support for PreK



## **HB2 Argyle ISD**

- Basic allotment increase ~ \$315,000
- Loss on guaranteed yield ~ -\$180,000
  Classroom teachers ~ \$1,590,000
- Support staff ~ \$253,000
- Allotment for basic costs ~\$700,000
- Early education allotment ~ \$120,000
- School safety allotment ~\$175,000
- SPED allotmént ~ TBD
- Teacher incentive allotment ~ TBD
- Estimated additional M&O revenues ~ \$3,275,000
- Estimated additional M&O expenditures ~ \$1,215,000



## **HB2 Compensation Unknowns**

- TEA What is the definition of Classroom Teacher for pay purposes?
- Is the \$2500 and \$5000 teacher pay raises paid as a stipend or part of pay scale?
- Will there be two teacher pay scales depending on definition "classroom teacher"?
- Are districts going to have to report differently than in the past for PEIMS staffing codes?
- How do we address a staff member on the Administrative Pay Scale that teaches classes and may fall "classroom teacher" definition?



#### **Compensation Plan Considerations**

#### **HB2** Covered

- Classroom Teachers 3-4 Years \$2,500 (≈4%) Classroom Teachers ≥5 Years \$5,000 (≈8%) Non-Administrative Staff \$45/Adjusted ADA

#### **Not Covered HB2**

- Teacher Pay Scale 0-2 Years \$2,100 (3.5%)
   All Others 3.5% (full cost of Administrative staff and delta for Non-Administrative Allotment above)



## Let's Break It Down...

*HB2 Covered (What we CURRENTLY understand)		*Non-HB2 Covered (What we CURRENTLY understand)				
2024-25 3-4 Year Teachers \$2500	2024-25 ≥5 Year Teachers \$5000	2024-25 Non-Administrative Role Employees (\$45 per adjusted ADA) = \$253,000		2024-25 0-2 Year Teachers \$2100	2024-25 Administrative Role Employees Coordinator Level & Above	2024-25 Non-Certified/D OI Teachers
37	323	283		18	40	1

**Note:** Some of the teachers listed in the 0-2 year category will move to 3-4 year category and some of the 3-4 year category above will move to 5+ for 2025-26. For the 2025–26 school year, Argyle ISD is planning for the **board-approved 38 new teacher positions** and **10 new non-administrative staff**. These projections are based on **current understandings** of HB 2, though **final definitions and guidance have not yet been released**. Our planning involves making strategic assumptions while awaiting confirmed details.



## Tentative Budget Outlook

**Estimated M&O Revenues** 

245,000.00	Revenue Estimate prior to HB2
24;	Revenue Estimate prior to HBZ

Estimated HB2 Change (MoakCasey)	3,275,000.00
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Total Estimated M&O Revenues	66,520,000.00
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#### **Estimated M&O Expenditures**

Total Base Budget 24-25	59,600,000.00
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Department & Campus Budgets	(570,000.00)
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Staffing Plan	3,343,600.00
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Updated Comp Plan	2,500,000.00
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Total Estimated M&O Expense	64,873,600.00
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Surplus/Defecit	1,646,400.00

Surplus amount depends on full interpretation of HB2.

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### **Next Steps**

- Prepare Implementation Steps for School Finance Legislation
- June 16th Regular Board Meeting Board to Consider Recommended Staff Compensation Plan
- June 16th Tentative Preliminary Legislative Impacts
- July 22nd Tentative Preliminary Legislative Impacts
- August 18th Regular Board Meeting Budget & Tax Rate



# Board Workshop Discussion and Direction

