

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
- [Draft Staffing Plan](#)



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.**



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HB 2 SCHOOL FUNDING

1 COMPENSATION

\$4.2 BILLION FOR NEW TEACHER RETENTION & SUPPORT STAFF ALLOTMENT:

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 one-time increase in compensation

OTHER STAFF RAISES

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

TEACHER INCENTIVE ALLOTMENT EXPANSION

2 NEW 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

3 SCHOOL SAFETY

\$430 MILLION INCREASE IN THE SCHOOL SAFETY ALLOTMENT:

Increases both the per student and per campus allotments

- \$20 per ADA (from \$10)
- \$33,540 per campus (from \$15,000)

4 SPECIAL EDUCATION

\$250 MILLION FOR NEW SPECIAL EDUCATION FUNDING SYSTEM

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

\$1,000 PER INITIAL FULL AND INDIVIDUAL EVALUATION (FIE)

5 MISCELLANEOUS

\$55 INCREASE IN THE BASIC ALLOTMENT:

Reallocates \$900 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



*LAST UPDATED 6/23 AT 10:04 PM



HB2 Legislative Update

- Basic allotment increase – \$55/ADA
 - 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



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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 allotment ~ TBD
 - Teacher incentive allotment ~ TBD
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- 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)



-#TogetherWeSoar- 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 Nurses Librarians Counselors SPED Services Paraprofessionals Auxiliary Operations/Transp/SN Other non-coord or non-director roles	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

Revenue Estimate prior to HB2	63,245,000.00
Estimated HB2 Change (MoakCasey)	3,275,000.00
Total Estimated M&O Revenues	66,520,000.00

Estimated M&O Expenditures

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

Surplus/Defecit	1,646,400.00
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Surplus amount depends on full interpretation of HB2.



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



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Board Workshop Discussion and Direction

