

1925 COMMITTEE NOTES

1925 Committee Meeting No. 1 – Sept. 18, 2024

Introductions, Charge to Committee and Brief Overview

Dr. Susannah O’Bara, Superintendent of Schools, welcomed the 1925 Committee, provided an overview of the district and detailed the committee's charge. Dr. O’Bara noted the committee is comprised of parents, teachers, staff, businesses and community members, representing a diverse cross-section of Denton ISD. Dr. O’Bara also detailed the purpose of the committee, which 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+ percent increase in consumer price index since 2020
- Opportunities to generate additional revenue

Since the beginning of the 2023-2024 school year, Denton ISD has lost \$6,592,071 of School Health and Related Services (SHARS) funding. The district has also experienced a \$7,438,226 transportation funding gap, safety and security annual funding requirements from House Bill 3 totaling \$4,440,228, and \$10,000,000 in 2023 raises based on assurances that the \$4 billion in the state budget would have flowed to public schools.

As a result, Denton ISD adopted a \$19,917,396 deficit budget for 2024-2025.

Dr. O’Bara explained the committee would develop and prioritize potential solutions that may be recommended, regarding staffing models and program offerings. In addition, the committee will assist the district in educating the general public concerning district financial issues and the work of the committee, and engage in productive dialogue while maintaining a district-level perspective. The committee may also consider opportunities to generate additional revenue.

Texas Public School Finance

Dr. Jeremy Thompson, Deputy Superintendent, provided an overview of Texas public school finance. Dr. Thompson noted there are 5.4 million students, more than 376,000 teachers and over 1,200 school districts statewide. Dr. Thompson also explained M&O and I&S funding. The amount of M&O funding is based on average student attendance and student attributes – not the amount of property taxes collected locally. M&O funding is used for day-to-day operations such as teacher salaries, classroom supplies, utilities and transportation. The Board of Trustees sets the I&S tax rate based on debt service payment requirements and is capped at \$0.50 (per \$100/valuation). I&S funding is used for capital expenditures, land, construction/renovation, technology and new buses.

Dr. Thompson explained since 2019, inflation has increased 17-19%, and over the past five years, there has been no increase to the basic allotment of \$6,160 per student. Lastly, Dr. Thompson detailed Denton ISD's fund balance, which has significantly decreased and will fall below the recommended level next year.

Staffing Models

Jason Rainey, Interim Assistant Superintendent of Human Resources, detailed general staffing ratios for elementary, middle and high schools, including current models and possible models. Currently, staffing ratios at middle and high schools are 25:1; grades PK-1 are 22:1, grades 2-4 are 24:1 and 5th grade is 25:1.

Mr. Rainey also explained at the middle school level, teachers currently teach for six of the eight class periods in a day.

Possible models for consideration in the future include adjusting middle and high school staff ratios to 27:1, which would result in roughly a combined \$5.3 million in savings; or, adjusting the master schedule so teachers teach for seven class periods out of eight while leaving staffing ratios the same. Adjusting the master schedule would result in roughly \$8.7 million in savings.

At the elementary level, a possible model for future consideration is adjusting the PK-2nd grade ratio to PK-1st grade, adjusting 3rd-4th grade to 2nd-4th grade, and adjusting the 5th-grade staffing ratio to 28:1, which would result in an estimated \$2.4 million in savings.

Safety, Security and House Bill 3

Dr. Jeff Russell, Area Superintendent, and Mary Martin, Director of Safety and Security, provided information on safety, security and House Bill 3.

Dr. Russell noted current facility standards include secure entry vestibules, impact-resistant film, campus numbering site plans, visitor check-in systems, panic button for each classroom and fencing for designated campus areas. From the 2023 capital improvement referendum, Denton ISD made \$30.5 million in safety and security upgrades. The funding that was allocated from the state for these upgrades was just \$2,539,369.

In addition, House Bill 3 requires armed security guards on all campuses. For Denton ISD, this includes 26 student resource officers (SROs) and 24 student support officers (SSOs). The cost for these personnel is \$4,899,819, while the allocated funding from the state of Texas was just \$975,000.