

1925 COMMITTEE NOTES

1925 Committee Meeting No. 5 – May 14, 2025

Dr. Susannah Holbert O'Bara, Superintendent of Schools, detailed where Denton ISD currently stands for 2024-2025, with \$342,048,541 in expenditures and \$322,131,145 in revenue for a \$19,917,396 deficit. Budget allotment changes since 2019 were also discussed, including the 5.2 percent decrease in instruction and the corresponding 5.2 percent increase to district operations.

Dr. Deron Robinson, General Counsel, provided legislative updates, including SB 843 which passed out of House Public Ed on May 9 and requires TEA to establish and maintain a comprehensive database of school district bonds, taxes and related projects. CSSB 260, which also passed out of the house, would increase the per student safety allotment from \$10 to \$28 and the per campus allotment from \$15,000 to \$30,000. HB2, which passed the house, would increase the basic allotment to \$6,555.

Revenue outlook for 2025-2026 under current law is \$325,064,810, a \$2,933,665 variance from the \$322,131,145 adopted budget for 2024-2025. If HB2 is passed, revenue outlook for 2025-2026 would increase to \$341,839,756. For 2025-2026, the district will open Hill and Reeves Elementary Schools and close Ginnings Elementary. There was also additional reduction of 60 positions through attrition or as a result of reclassifying to a different funding source.

2025-2026 projected expenditures under current law are \$345,129,267, while revenues are \$325,064,810, resulting in a \$20,064,457 variance. If HB2 is passed, it would result in a potential \$15,965,599 gain, with 40 percent of total revenue gain required to go towards salary provisions – 75 percent for teachers, librarians, nurses and counselors for a total of \$4,789,680 and 25 percent going towards other full-time employees (non-administrators) for a total of \$1,595,560.

Finally, comparisons were provided of the impact of various Voter Approved Tax Rate Elections (VATRE) based upon the result of HB2 and the number of golden and copper pennies potentially included in any VATRE.