



## OCTOBER 26, 2022 - MEETING AGENDA

1. Opening Remarks from **Argyle ISD Superintendent Dr. Telena Wright**
2. Review Committee's Charter and Meeting Schedule
3. Meeting Norms
4. Table discussion for Finance & Share
5. Presentation From **Argyle ISD Chief Financial Officer Liz Stewart**
  - a. Question & Answer with Liz Stewart
6. Review Evaluation Score Sheet
7. Complete Scoring
  - a. Evaluate Options A, B, C, D, and E
    - Table Discussion and Share Out
    - Complete Score Sheet
8. Next Steps
9. Adjourn





# **Financial Impact**

**High School Advisory & Planning Committee**  
**October 26, 2022**



# 2022 Bond Review



## ALL PROPOSED PROJECTS IN MAY 2022 BOND ELECTION

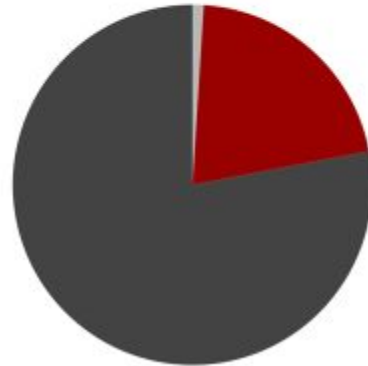
| <u>PROJECT</u>                                   | <u>ESTIMATED OPENING/TIMELINE</u>   | <u>TOTAL PROJECT COST</u> |                      |
|--|-------------------------------------|---------------------------|----------------------|
| Hilltop Playground                               | 2023 or 2024                        | \$500,000                 |                      |
| Elementary #4                                    | 2024                                | \$39,433,000              |                      |
| Stadium  | 2024                                | \$26,915,000              | <b>PROPOSITION B</b> |
| Furniture Refresh                                | 2024 or 2025                        | \$2,000,000               |                      |
| Design MS #2                                     | 2024 or 2025 ( <i>Design Only</i> ) | \$4,975,000               |                      |
| Middle School #1 ( <i>Argyle Middle School</i> ) | 2025                                | \$103,515,000             |                      |
| Acoustic Sound Shell                             | 2025                                | \$350,000                 |                      |
| Indoor Activity Center                           | 2025                                | \$19,885,000              | <b>PROPOSITION C</b> |
| Elementary #5                                    | 2026                                | \$44,512,000              |                      |
| Technology Infrastructure                        | 2026                                | \$300,000                 |                      |
| Buses  | as needed                           | \$4,500,000               |                      |
| Future Land                                      | ongoing                             | \$20,000,000              |                      |
| Safety & Security Upgrades                       | ongoing                             | \$1,000,000               |                      |
|  |                                     | <b>\$267,885,000</b>      |                      |



## School Finance: The Big Picture

A school district's budget is generated from three general sources:

- **Federal Funding**
- **State Funding**
- **Local Tax Effort**

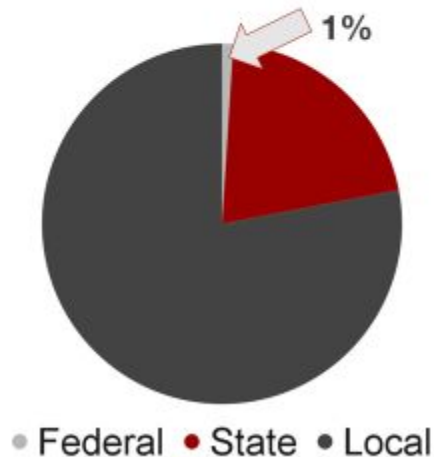


• Federal • State • Local



## Federal Funding

- Appropriated for special programs or to provide services to a specific group of students
- Cannot be used to supplant state or local dollars to fund a program
- About half of federal funds go directly to school districts while the remainder goes to the state or to regional service centers

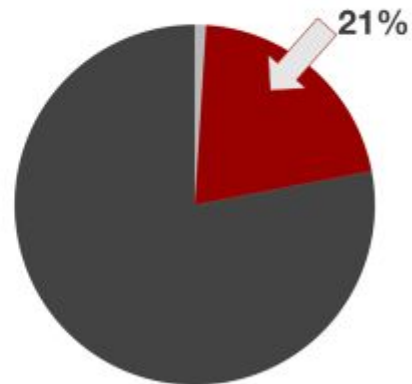




## State Funding

### Foundation School Program

- Provides state funding to school districts
- Administered by TEA
- Meant to ensure that all school districts, regardless of property wealth, receive "substantially equal access to similar revenue per student at similar tax effort, considering all state and local tax revenues of districts after acknowledging all legitimate student and district cost differences."



● Federal ● State ● Local

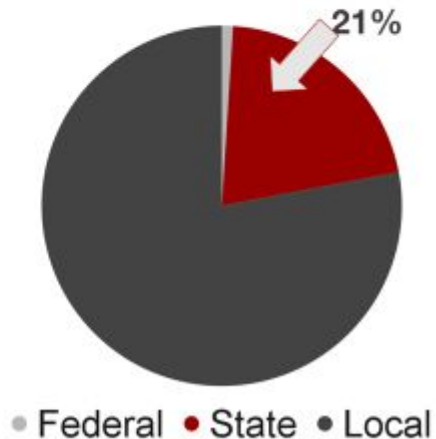


## State Funding

State funding system is VERY COMPLICATED

The simplest explanation:

- Each district receives a different level of funding
- Basic funding levels are primarily established by looking at “wealth per student”
- Tax base divided by number of students
- Lower “wealth per student” = more state funding
- Higher “wealth per student” = less state funding

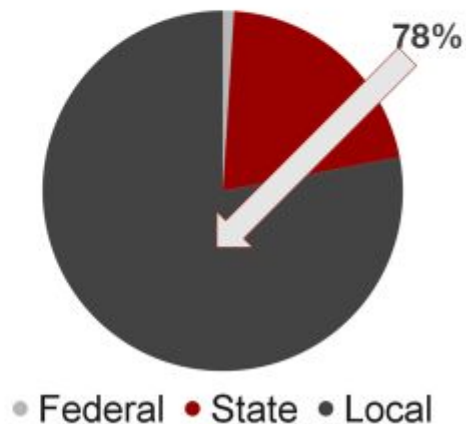






## Local Tax Effort

- Generated from property taxes (not sales taxes)
- Called “ad valorem” taxes
- Each year, a school district adopts **two tax rates**, which determine the total rate:
  - **Maintenance & Operations (M&O)**
  - **Interest & Sinking (I&S – aka debt service)**





## Maintenance & Operations (M&O) Tax Rate

**Funds the day-to-day maintenance and operations of the district:**

- Salaries (for teachers and other staff)
- Facility repairs and maintenance
- Contracted services
- Bus repairs, maintenance and fuel
- School supplies and materials
- Utilities (electricity, water, etc.)

For the average citizen this is similar to:

- ✓ House repairs
- ✓ Car fuel
- ✓ Routine services
- ✓ Groceries
- ✓ Cleaning supplies
- ✓ Utilities



## Interest & Sinking (I&S) Tax Rate

Funds debt repayment for “big ticket” items:

- New Schools
- Renovations to Existing Schools
- Land Purchases
- Program-specific Equipment
- School Buses

For many citizens this is similar to:

- ✓ New Home Purchase
- ✓ House Renovations
- ✓ Land for a Home
- ✓ New Appliances
- ✓ New Car



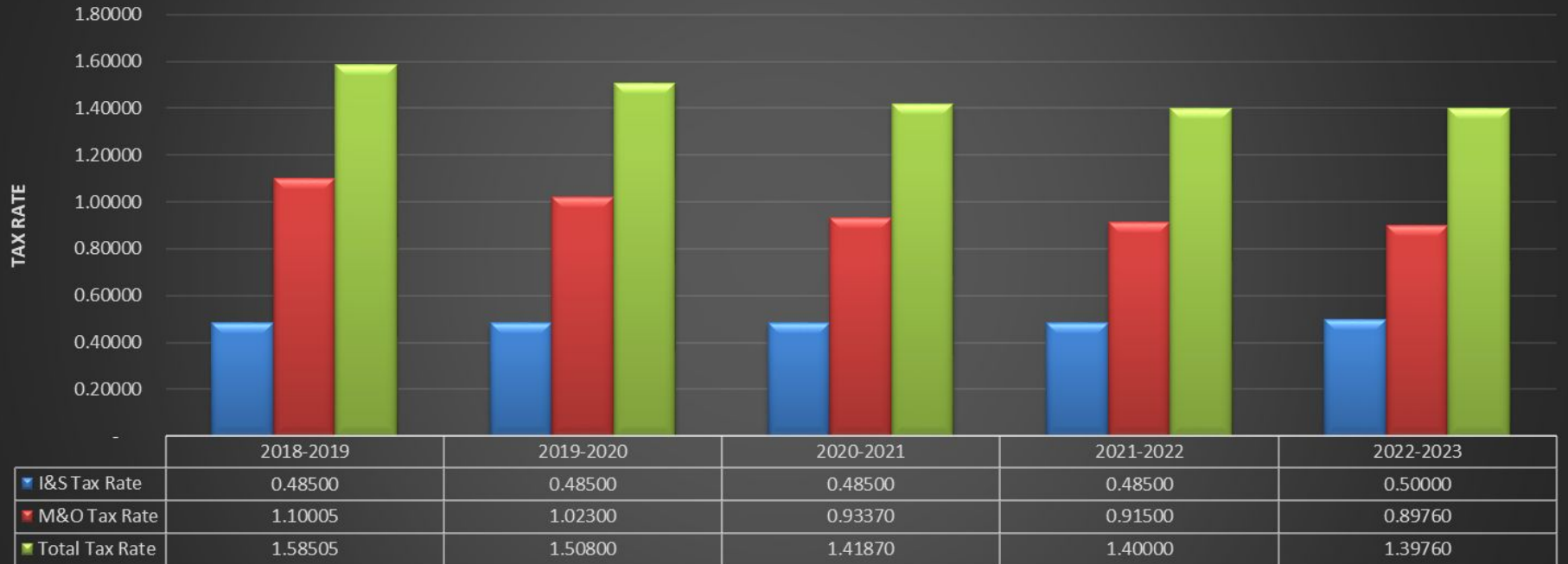
## Local Tax Effort

$$\begin{array}{rcccl} \text{M\&O} & & \text{I\&S} & & \text{TOTAL} \\ \text{Tax Rate} & + & \text{Tax Rate} & = & \text{Tax Rate} \\ \$0.915 & & \$0.485 & & \$1.400 \end{array}$$





## Argyle ISD Tax Rates





## Bonding Capacity

- 2022 Bond Was Structured to Consider Potential Future Bonds
- Remaining 2022 Bond Authorization
  - Partial Bond Sale Summer 2023
  - Remaining Bond Sale Summer 2024
- Future Bond Capacity
  - Dependant on Taxable Assessed Values (TAV)
  - Interest Rates and Bond Structure
  - Potential 2025 Bond



## Bond Authorization ≠ Bond Issue

Bond authorizations are determined by the voters.

Bond issues can occur after authorization but are dependent on available capacity.



## Assumptions

- Staffing Considerations - Full Time Equivalent (FTE) Additions
  - Principal, Assistant Principal(s)
  - Counselor(s)
  - Nurse
  - Librarian
  - Officer
  - Support Staff
  
- Supplies/Capital Considerations
  - Utilities
  - Contracted Custodial
  - Instructional Supplies
  
- Transportation Considerations
  - Additional Bus Routes
  - Bus Drivers





# Assumptions

**School Year 2025/2026**

**High Demographic Projections - 2100 Total**

| <b>Scenarios</b>  | <b>Campus A</b> | <b>Campus B</b> |
|---|-----------------|-----------------|
| 2 High Schools: Both 9 - 12th                                       | 1,050           | 1,050           |
| 1 High School: 9th Campus & 10th - 12th Campus                      | 620             | 1,480           |
| 1 High School: 9th - 10th Campus & 11th - 12th Campus               | 1,175           | 925             |
| 2 High Schools: STEM/CTE Campus & 9th - 12th Campus                 | 400             | 1,700           |
| 2 High Schools: Smaller 9th - 12th & Larger 10th -12th w/9th Campus | 800             | 1,300           |



## 2 High Schools: Both 9th-12th Grades

- Staffing Considerations - 1,050 enrollment
  - Administrative Costs \$1,575,000
    - District Level Positions 2-3
    - Principal, Assistant Principal(s)
    - Counselor(s)
    - Nurse
    - Librarian
    - Officer
    - Support Staff
  - Instructional Costs \$750,000
    - 10-12 specialty area positions



## 2 High Schools: Both 9th-12th Grades

- Supplies/Capital Considerations - \$315,000
  - Campus instructional budgets are based on allocation per student
  - Allocation would follow student to new campus
  - Campus operational budgets
  - Departmental budgets
- Transportation Considerations - dependant on zoning
  - Additional buses/added routes for each attendance zone
  - Potential separation of MS and HS combination routes
  - Bus drivers
  - Co-Curricular transportation - \$400,000



## 1 High School: 9th Campus & 10th - 12th Campus

- Staffing Considerations - 620 and 1,480 enrollment
  - Administrative Costs \$560,000
    - Principal, Assistant Principal
    - Counselor(s)
    - Nurse
    - Librarian
    - Officer
    - Support Staff
  - Instructional Costs \$1,150,000
    - 2-6 specialty area positions
    - Consider transition to block scheduling



# 1 High School: 9th Grade Campus & 10th - 12th Campus

- Supplies/Capital Considerations
  - Campus instructional budgets are based on allocation per student
  - Allocation would follow student to new campus
  - Campus operational budgets
  
- Transportation Considerations
  - Potential separation of MS and HS combination routes
  - Bus drivers
  - Shuttle Buses \$55,000



# 1 High School: 9th - 10th Campus & 11th - 12th Campus

- Staffing Considerations - 1,175 and 925 enrollment
  - Administrative Costs \$585,000
    - Principal, Assistant Principal(s)
    - Counselor(s)
    - Nurse
    - Librarian
    - Officer
    - Support Staff
  - Instructional Costs \$1,150,000
    - 2-6 specialty area positions
    - Consider transition to block scheduling



# 1 High School: 9th - 10th Campus & 11th - 12th Campus

- Supplies/Capital Considerations
  - Campus instructional budgets are based on allocation per student
  - Allocation would follow student to new campus
  - Campus operational budgets
- Transportation Considerations
  - Potential separation of MS and HS combination routes
  - Bus drivers
  - Shuttle Buses \$80,000



## 2 High Schools: STEM/CTE Campus & 9th-12th Campus

- Staffing Considerations - 400 and 1,700 enrollment
  - Administrative Costs \$690,000
    - Principal, Assistant Principal
    - Counselor
    - Nurse
    - Librarian
    - Officer
    - Support Staff
  - Instructional Costs
    - STEM/CTE positions dependant on classes offered





## 2 High Schools: STEM/CTE Campus & 9th-12th Campus

- Supplies/Capital Considerations
  - Instructional supplies based on STEM/CTE classes
- Transportation Considerations
  - Potential separation of MS and HS combination routes
  - Bus drivers



## 2 High Schools: Smaller 9th-12th & Larger 10th-12th w/9th Campus

- Staffing Considerations - 800 and 1,300 enrollment
  - Administrative Costs \$1,455,000
    - District Level Positions 2-3
    - Principal, Assistant Principal(s)
    - Counselor(s)
    - Nurse
    - Librarian
    - Officer
    - Support Staff
  - Instructional Costs \$750,000
    - 10-12 specialty area positions



## 2 High Schools: Smaller 9th-12th & Larger 10th-12th w/9th Campus

- Supplies/Capital Considerations - \$315,000
  - Campus instructional budgets are based on allocation per student
  - Allocation would follow student to new campus
  - Campus operational budgets
  - Departmental budgets
- Transportation Considerations - dependant on zoning
  - Additional buses/added routes for each attendance zone
  - Potential separation of MS and HS combination routes
  - Bus drivers
  - Co-Curricular transportation - \$400,000



***WELCOME***



**HS ADVISORY & PLANNING COMMITTEE**