

Austin ISD Prop A



AUSTIN
Independent School District

2024-25

Community Conversations



Agenda

- Welcome and introductions
- Presentation
- Next steps
- Q&A

We are Austin's school district

- 81% of k-12 public school students in Austin choose **Austin ISD**
- We serve over **73,000 students**
- That takes over **10,500 employees, 116 schools** and **over 500 buses**



How it's going...

- **97% teacher staffing** rate
- **20% increase in teacher retention** over the last two years
- **96.3% four-year graduation rate**, higher than the state average of 90%
- **Special Education:** 63 of 99 TEA Order tasks complete
- **2022 Bond:** 9 groundbreakings, 31 active CATs and 49+ bond community meetings
- **Financial Stewardship:** AAA+ bond rating, TEA FIRST Scorecard Superior Rating





Where we stand . . .

Austin ISD board adopted

\$954M

operating budget

Deficit

\$78M

2024-25 SY

Included

\$30M

in non-campus reductions

**Austin ISD continues to be the highest payer into
the state recapture system at \$811M**

How did we get here?

Texas is currently **\$4,000 behind the national average** in per-student funding.

- **Texas has not raised the per-student funding for over 5 years**, despite having a multibillion dollar state budget surplus
- Over \$4 billion in state funding was set aside for schools, **but was not released to school districts**
- Texas has placed additional **mandates on school districts** — such as HB3 — **but did not increase funding to match the expenses**





What is Prop A?

Prop A is a ballot initiative asking voters to approve funding for teacher salaries and additional funding for our local schools.



What could Prop A do for Austin ISD?

Prop A would bring an additional net **\$41 million annually** to Austin ISD

\$17.8M

increase to
teacher and
staff salaries

\$3.2M

additional
support directly
to campuses

\$20M

to offset current costs
and reduce the deficit

If Austin voters approve Prop A

A recent survey found that **70% of Texas Educators** had **seriously considered leaving the profession** in the last year.

Prop A will allow our district to:

- Keep certified teachers
- Attract new teachers
- Continue existing programs and services at local school campuses



Without this new funding, our district anticipates deeper budget cuts

Given the current state of school financing, some districts laid off staff and closed schools. **Austin ISD does not want to be in that position.**

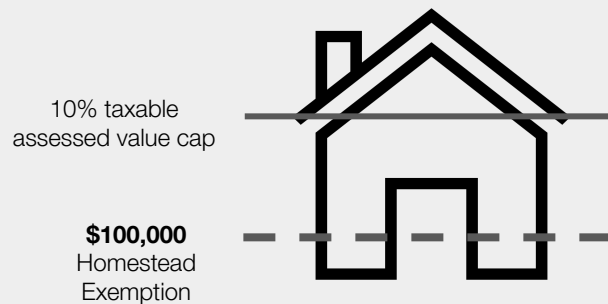
Austin ISD goes above the minimum requirements in state and federal law in the following areas and could possibly consider deeper cuts to the budget for the following services:

- School librarians
- School nurses
- Counselors
- Support staff
- Fine Arts and Career and Technical Education programs





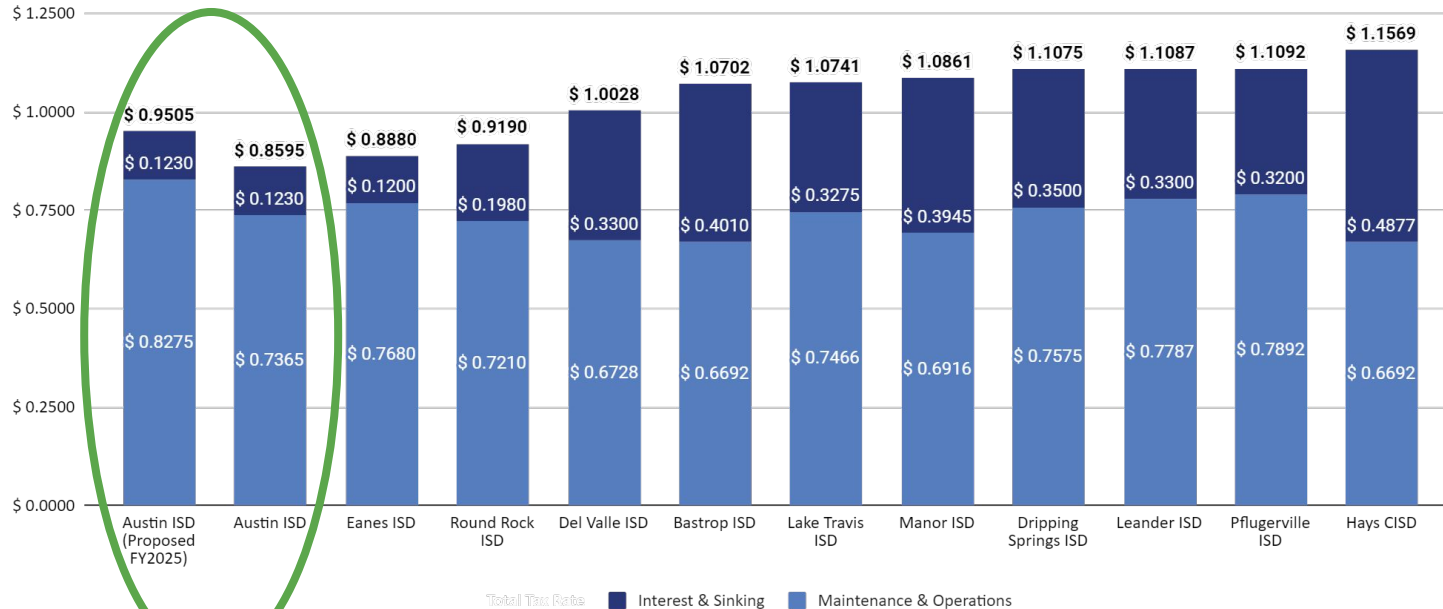
What would this cost?



- 9.1 cents/\$100 of taxable home value
- ~\$34/month for the average Austin homeowner

Austin ISD Tax rate compared to peers

Prior Year Tax Rates Comparison (FY 2023-24)





What's next?

- **October 7** — last day to register to vote
- **October 21** — Early voting begins
- **November 5** — Election Day (Student Holiday)
- **If approved in November**
 - Homeowners would see the new tax rate on their 2024 property bill
 - Staff affected by market adjustments would see pay increases in December, retroactive to their 2024–25 start date.





Questions?

Text: 512-856-6123

Find out more:



austinisd.org/propa

Thank you!



STRONG Schools
STRONGER Austin





Key Messages

- Helps provide competitive pay for experienced teachers
- Provides support to help retain newer teachers
- Funds student mental health support
- State school funding has not kept up with rising costs
- Without this new funding our district will face difficult choices

Appendix | Apéndice



If Prop A passes...

- \$0.9505 – total tax rate for the the district
- Austin ISD would net \$41 million
- \$112M increase to recapture payment

If Prop A doesn't pass...

- \$0.8595 – total tax rate for the district
- No funding increase for teacher and staff raises or campus support
- \$14M increase to recapture payment
- Deeper cuts to anything not mandated by the state will be on the table



What Austin ISD is doing to reduce costs:

- **\$30M in cuts to non-campus expenses** last spring
- **Long-range budget planning** to reevaluate every aspect of the way we support our schools
- **Ad Hoc Joint Community Budget Committee** will meet throughout the fall to review ideas, discuss opportunities and vet proposals

*Our aim is to be creative and streamline operations to reduce our reliance on the outcomes of future legislative sessions while **providing an exceptional educational experience for every child.***

¿Qué está tomando el Austin ISD para reducir costos?

- El semestre pasado **recortamos \$30 millones** en gastos **fuera de las aulas**
- **Iniciamos la planificación del presupuesto a largo plazo**, reevaluando minuciosamente la manera en la que apoyamos a nuestras escuelas
- Creamos un **Comité Comunitario Colectivo para el Presupuesto ad hoc** que se reunirá a lo largo del semestre próximo para analizar ideas, discutir oportunidades y aprobar propuestas.

*El objetivo es optimizar de manera creativa los costos operativos para reducir nuestra dependencia económica en las futuras sesiones legislativas y al mismo tiempo **ofrecer a cada niño una experiencia educativa excepcional***



Austin ISD's

Tax Rate Overview | Resumen General de la tasa de impuestos

General Fund — Maintenance & Operations (M&O) Fondo general — Mantenimiento y operaciones (M&O)

- Annual budget is adopted by the Board of Trustees
La mesa directiva adopta el presupuesto anual
- 89% of operating expenditures go to teacher and staff salaries
- El 89% de los gastos se asigna a salarios de maestros y personal

Debt Service Fund — Interest & Sinking (I&S) Fondo de servicio de la deuda — Interés y amortización (I&S)

- Funds can only be used to repay debt, i.e. bond principal & interest
Los fondos solo se pueden usar para pagar la deuda, es decir, el monto principal y los intereses del bono
- But, can't be used to pay teacher and staff salaries, utilities or other operating expenses. Pero no se pueden usar para pagar salarios de maestros y personal, servicios públicos u otros gastos

Another way to think about it: Imagine your budget



Everyday costs | Costos Diarios

Groceries | Utilities | Medical |
Home Repairs & Maintenance | Gas
Comida | Servicios públicos | Gastos médicos |
Reparación y mantenimiento del hogar | Gas



Loans & Debt | Préstamos y deudas

Home Mortgage | Car Note |
Major Home Renovations
Hipoteca de la casa | Pagos del carro |
Grandes renovaciones en el hogar

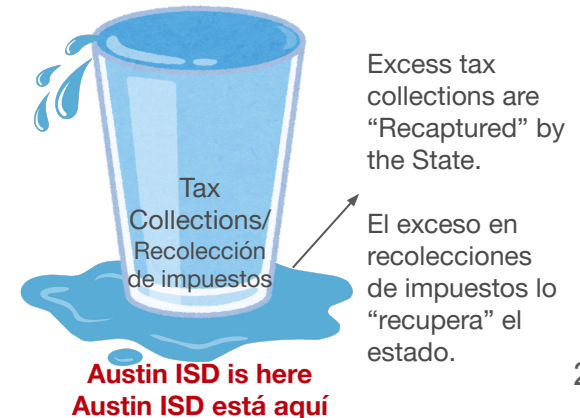
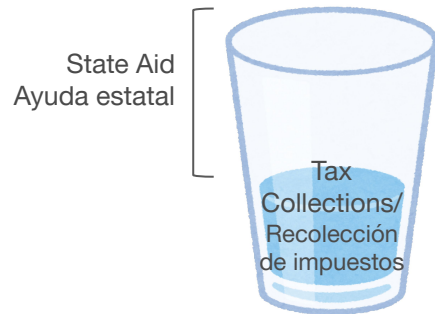


State Funding | Financiamiento estatal

School districts receive funding from the state based on property values, tax collections, average daily attendance, special programs and other factors. As property tax collections go up, the amount of money from the state goes down.

In the case of Austin ISD - we receive very little state funding.

Los distritos escolares reciben financiamiento del estado con base en el valor de las propiedades, la recolección de impuestos, la asistencia diaria promedio, programas especiales y otros factores. Conforme aumentan las recolecciones de impuestos sobre la propiedad, se reduce la cantidad de dinero del estado. **En el caso del Austin ISD, recibimos muy poco financiamiento estatal.**





Recapture

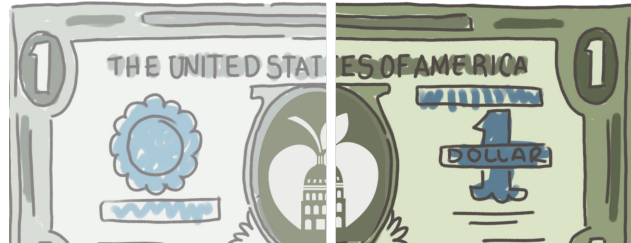
According to state law, Texas recaptures local tax dollars from “property-rich” districts like Austin and redistributes the funds to districts with lower property values.

The system is called “recapture” although you may have heard people call it “Robin Hood”. **Austin ISD is considered a “property-rich” district. This year we sent more than 52% of our tax collections to the state.**

Recuperación

Según las leyes estatales, Texas recupera el dinero de impuestos locales de distritos “ricos en propiedades” como Austin y redistribuye estos fondos entre distritos con propiedades de menor valor.

Esto es llamado “recuperación”, popularmente conocido como “Robin Hood”. **El Austin ISD se considera un distrito “rico en propiedades”. Este año le enviamos más del 52% de nuestra recolección de impuestos al estado.**





What about bond funds? | ¿Y los fondos del bono?

Per state law, bond funds cannot be used to fund teacher salaries or campus support staff. Those expenses come out of a separate operating budget.

Por ley, los fondos del bono no pueden usarse para aumentos salariales. Esos gastos proceden de un presupuesto de funcionamiento separado



How we pay for daily operations:
salaries, utilities,
etc.

(Subject to Recapture)

Cómo se pagan las operaciones diarias
como los salarios,
servicios públicos,
etc.

(sujeto a recuperación)



How we pay off our debt:

Principal and interest
payments on debt
issued for Austin ISD

Bond programs

(Not subject to recapture)

Cómo pagamos nuestras deudas:

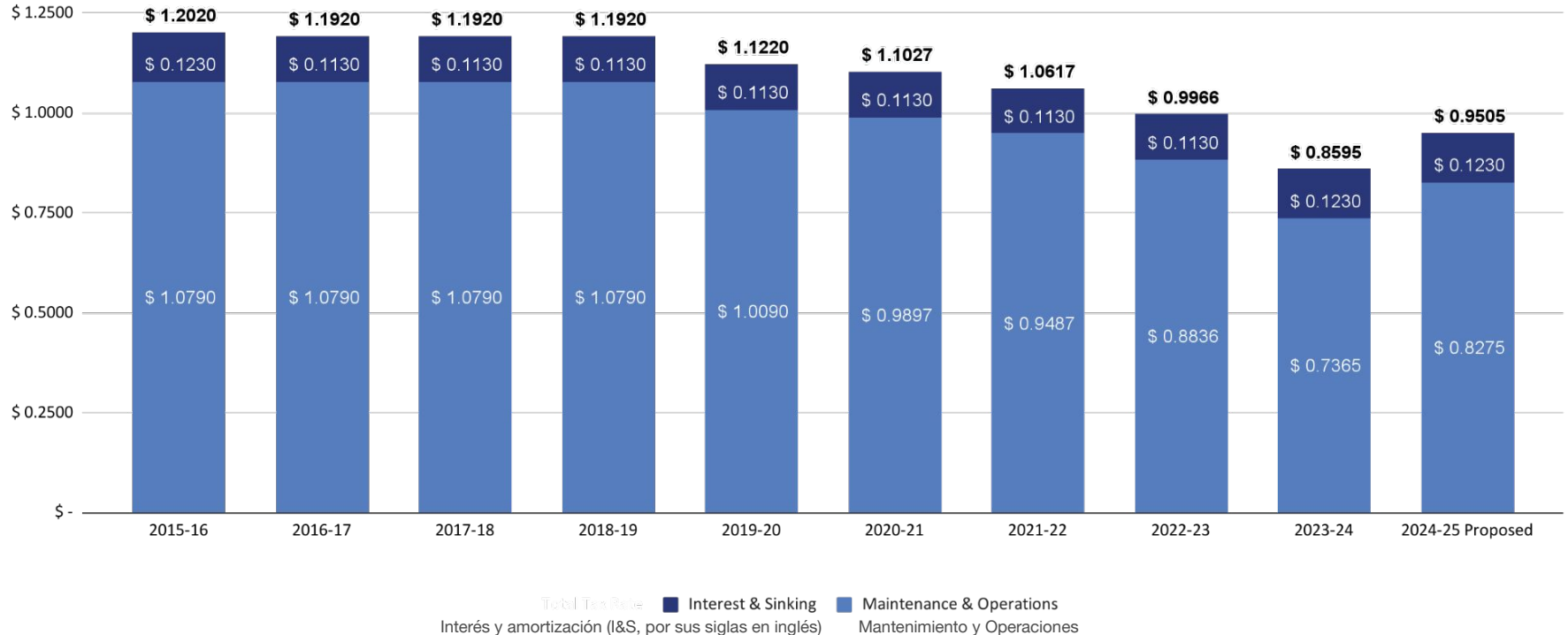
Los pagos del monto
principal y los intereses
de la deuda adquirida
para los programas del
bono del Austin ISD 23

(no está sujeto a recuperación)



Austin ISD Tax Rate History

Historia de la tasa de impuestos del Austin ISD





Austin ISD Tax Rate | La tasa de impuestos del Austin ISD

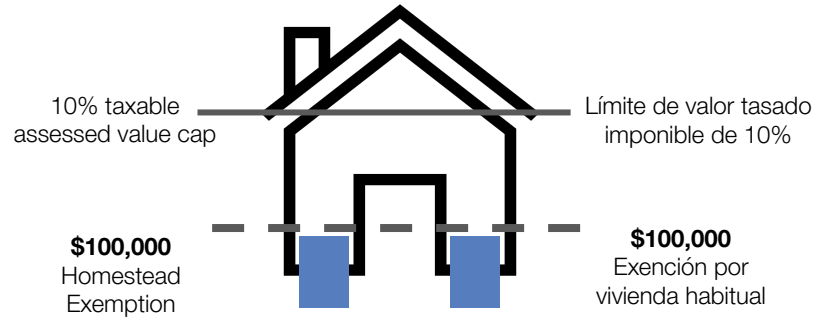
	2023-24	2024-25 without sin la Prop A	2024-25 with con la Prop A
Maintenance & Operations (M&O) Gastos operativos y de mantenimiento	\$0.7365	\$0.7365*	\$0.8275
Interest & Sinking (I&S) Interés y amortización	\$0.1230	\$0.1230	\$0.1230
Total Tax Rate Tasa total de impuestos	\$0.8595	\$0.8595	\$0.9505

**Due to property values, Austin ISD M&O tax rate is the same compression as the previous year.*

**A causa de los valores de las propiedades, la tasa de impuestos de M&O del Austin ISD tiene la misma compresión que el año anterior.*

Let's break it down | En desglose...

**\$34 per month
increase to
average value
home**



**Aumento de \$34 al
mes para una casa
de valor promedio**

	2023-24	2024-25	2024-25 PROP A	
Average Home Taxable Value	\$ 518,021	\$ 553,493	\$ 553,493	Valor imponible del hogar promedio
Homestead Exemption	\$ 100,000	\$ 100,000	\$ 100,000	Exención por vivienda habitual
AISD Tax Rate per \$100 value	\$0.8595	\$ 0.8595	\$ 0.9505	Tasa de impuestos del Austin ISD por un valor de \$100
Estimated Taxes to AISD	\$ 3,593	\$ 3,898	\$ 4,310	Impuestos aproximados para el Austin ISD
Change from prior year		\$ 305	\$ 717	Diferencia respecto al año anterior
Change between Prop A			\$ 412	Diferencia con la Propuesta A

Important Note: Though Austin ISD sets the tax rate as a taxing entity, Austin ISD does not set property values. Property values are determined by the County Appraisal District. | **Nota importante:** Aunque el Austin ISD establece la tasa de impuestos, el Austin ISD no establece los valores de las propiedades. Los valores de las propiedades los determina el distrito de tasación del condado.



