



CARROLL

INDEPENDENT SCHOOL DISTRICT

5.3.10 School Board Meeting Summary

Next Scheduled Meeting: May 17, 2010

2010-2011 Budget Must Be Adopted By August 30

Board Continues Expenditure Reduction Process

Trustees took a few more steps Monday to address the deficit operating budget by concentrating on ideas to curb spending and increase revenues for future years. The Board approved several aspects of the Administration's four-tiered Expenditure Reduction Plan, and began hard discussion of options that may eventually affect staff and students. To date most of the discussion and action has centered on Tier 1 and Tier 2 options. No final decisions have been made on Tier 3 and Tier 4 items – all of which are outlined on the CISD's website. Simply click on the ER icon on the district's main page to read up-to-date budget information and/or to participate in a survey about triple-staggered school start times.

<http://www.southlakecarroll.edu/er.aspx>

Key topics out of the May 3 School Board meeting included a decision to eliminate the hazardous bus route designation beginning with the 2010-2011 school year, plans to set aside reserved parking at Dragon Stadium for the 2010 season and plans to explore water wells at each campus to handle property irrigation. Trustees also asked for more information about fall course/section enrollment, district policies for setting class enrollment minimums and water usage comparisons among campuses.

The Board's vote to eliminate hazardous route designations will mean that all residents who live within two miles of their child's home campus will pay for bus transportation services. In the past, Carroll ISD allowed citizens to submit a request for review of their route to see if it qualified as hazardous. Those riders on hazardous routes did not have to pay the rider fee. However, Trustees recently learned that the hazardous route designation is a mechanism the state uses to grant school districts additional transportation funding. Unfortunately, as a Chapter 41 property wealthy district, Carroll does not qualify for any state funding for transportation. The district pays for all \$1.8 million in transportation costs to bus students. Because busing remains the safest, most cost efficient way to transport students to and from school, the Board agreed to do away with the hazardous route process beginning with the 2010-2011 school year. This means all riders within two miles of their home campus will be required to pay the annual rider's fee.

At the May 3 meeting, Trustees also discussed drilling water wells on each school site. The Board authorized the Administration to bring the item back to the May 17 Board meeting for a vote. The cost – estimated between \$500,000 and \$700,000 depending on the depth and location of the wells – could be paid for using capital project funds instead of the district's general operating fund. CISD currently spends

about \$200,000 on irrigation water costs at its 11 campuses. Drilling water wells could help CISD experience a General Operating Fund savings with an overall net payback within 2.5 years.

Trustees also saw a first glimpse of what Superintendent David Faltys called Tier 3 and Tier 4 expenditure reduction “options” rather than recommendations. He said the Board will not have to make all the cuts outlined in these two tiers but will have to carefully weigh the impact of each option on staff and students. Tier 3 and Tier 4 options are earmarked for the 2011-2012 budget cycle because they could involve a Reduction In Force (RIF). Several options being discussed include the elimination of second planning periods for intermediate and/or middle school teachers, going from a block schedule to modified block at the high school campuses and/or restructuring the way teachers deliver lessons in elementary science labs, QUEST and/or CARE Reading. Some of the options involve significant staff reductions, which would be acquired through attrition (*resignations, reassignments, retirements*) as the district is able. A RIF for some contracted positions may be necessary in 2011-2012 if the budget situation does not improve.



Trustees learned the district can save as much as \$440,000 per year (eight teaching units) if the high schools go back to a modified block schedule. In turn, intermediate and middle school teachers currently have two planning periods each day. If the district was forced to cut one of the planning periods, it could mean a savings of \$440,000 (eight less teaching positions) annually at the intermediate level and \$605,000 (11 less teaching positions) annually at the middle school level. The additional planning period is designed to be spent collaborating with other teachers on the various teams, but may be subject to elimination if the budget deficit persists. CISD has surveyed other school districts – in the CISD area and other exemplary Texas campuses – to compare the teaching load. Results vary among schools – some of which are also contemplating budget cuts of their own.

The Administration said the district could also save \$385,000 per year by eliminating elementary science lab teaching positions. The regular classroom science teachers would be responsible for integrating hands-on lab lessons if the program is revamped. Carroll ISD is one of the few schools in the area to utilize science lab teachers in the specials rotations. Another option under review is a reduction in staffing for the CARE reading program (a potential \$275,000 annual savings), a restructuring of QUEST (a \$247,500 annual savings) and/or increased class sizes in grades 5-12. This option has the potential to cut \$715,000 out of the operating budget. Dr. Faltys reminded the Board and audience that all of the options outlined in Tier 3 are campus-based staffing reductions. In addition, Tier 4 options include a Tax Ratification Election before voters, central office and campus professional cuts, paraprofessional cuts and several one-time revenue generating options. Tier 4 ideas represent a minimum \$13 million in expenditure reductions, but like Tier 3 items, they will involve difficult decisions and/or voter approval.

The school finance system allows school districts the opportunity to conduct a Tax Ratification Election (TRE) to add an additional 13 cents to the local tax rate. The first two pennies would generate about \$1.3 million and would not be subject to Chapter 41 (Robin Hood) recapture. The Board already uses the four-cent discretionary tax to help supplement the operating budget. Voter approval is required before CISD can assess those two additional pennies. Even more difficult to consider is the remaining 11 cents available in local tax options because these pennies are subject to recapture, with 55 percent of the collections going back to the state. Again this would require voter approval in a general election.

Other options for one-time revenue sources include a change in the district's fiscal year calendar (\$9 million savings) and the sale of Carroll Intermediate School (appraisal amount protected by law). Professional administrative cuts could net another \$275,000 (specific positions not yet identified) and paraprofessional cuts could net an additional \$100,000 in savings (specific positions not yet identified).

Dr. Faltys reiterated that not all the items in Tiers 3 and 4 are administrative recommendations. Every attempt is being made to minimize the educational impact of the expenditure reductions. However, CISD faces a \$3.7 million deficit this year (to be made up through Fund Balance Reserves) and another \$4.3 million deficit in 2010-2011 if CISD Trustees had not taken any action. However, the Board has already trimmed next year's deficit to \$2.1 million by eliminating 13.5 teaching positions due to declining student enrollment and approving another \$1.1 million in Tier 1 budget cuts.

At the April 19 meeting, Trustees agreed to all of the Tier 1 items with the exception of triple staggered school start times that would allow the district to streamline busing and eliminate some routes, gas and driver expenses. The district is currently providing an online survey to obtain parent feedback on various options for the triple staggered school start times. The survey will remain open until just before midnight on May 14. To take the survey, [click here](#).

Other cuts in Tier 1 include \$1 million in central office cuts, as well as \$100,000 in per capita cuts to the campus supply and travel budgets. Some of the individual items include the tuition reimbursement program for employees, printing, travel and supply budgets in every department, the player development volleyball league at the middle schools, a reduction in the number of work days for transportation staff and the elimination of MAP and Renzulli learning systems. Central office will also eliminate hard copies of the Auxiliary handbook, begin charging for lost employee badges and have aides pay for their own fingerprinting and certification fees. For a complete list of Tier 1 cuts approved by the Board, visit the district's web page and select the Expenditure Reduction (ER) icon on the right side of the page.

Trustees voted for all of the Tier 2 items, with the exception of a refrigerator/microwave energy fee for employees. They also did not make a final decision on student participation fees, but continue to study several options. Trustees directed the Administration to implement an in-house energy management program. The in-house plan is yet to be determined, but may involve a staff stipend and/or software to manage and monitor energy usage.

Board work on the 2010-2011 and the 2011-2012 budgets will continue throughout the summer. The 2010-2011 budget must be approved by the end of August. At this time, the base preliminary budget model does not reflect a general employee pay increase, but a forthcoming Attorney General opinion may interpret recent laws to require individual step increases for teachers, nurses, librarians and other specific job assignments.

Board Actions

- **The Board approved a plan to reserve 86 parking spaces at Dragon Stadium for the 2010 football season.** A total of 26 spaces would be reserved for Park Place VIP customers as part of an anchor sponsorship package for the new video scoreboard. These customers would receive a parking pass from Park Place, but would still pay the \$3 parking fee per game for entry into a special reserved spot for the anchor sponsor. The remaining 60 spots will be put up for public auction in August, with proceeds benefitting Carroll ISD's general operating fund. More details on auction specifics will be forthcoming as plans progress. The presentation by the district's

Communications & Marketing Department involves finding ways to provide sustaining new revenue streams to address the district's operating deficit.

- **Trustees approved 17 resignations effective the end of this contract year.** Most of the resignations involved retirements, continuing education and/or employees staying home with a child or family. The Board also approved the hiring of three employees Monday evening. They included Christina Long, science teacher at Carroll Senior High School; Brad Skinner, science teacher/coach at Carroll Senior High School and Jacob Webb, PE/Health Teacher/Coach at Carroll Middle School. All three of these contracts are for the 2010-2011 school year.
- **Board members approved the Consent Agenda at Monday's meeting.** It included minutes from the April 19 meeting.

Presentations & Discussion

Representatives from **Templeton Demographics gave a 10-year enrollment forecast** for Carroll ISD. Economic conditions have slowed down the housing market, impacting new construction and re-sales. Demographers are seeing a slow regeneration in CISD as residents remain in their current homes even as students graduate. Thus, enrollment is expected to decline as secondary grades continue to be much larger than incoming primary grades. The district could see a decline of 176 students during the next 10-year period, though officials say anything outside of 3-5 years is very difficult to predict. Texas is in a position to add jobs and rebound quickly from the recession, and that could affect the district's outlook. A complete copy of Templeton Demographic's report can be found on the CISD website.

Trustees also met in executive session as per Texas law.

Trustees adjourned the May 3, 2010 meeting at 11:08 p.m.