



# Board Update



**Master Planning efforts now move into transition committee meetings in an effort to address the goals of:**

- **Achieve Improved Facility Utilization**
- **Reduction in Operating Costs**
- **Integrate Instruction Strategies**

A major focus of BISD's Master Plan is to help us use our maintenance and operations (M&O) budget more efficiently and effectively. Last summer the State Legislature completed a special legislative session in response to the need to meet the requirements of a court order related to school finance. House Bill 1 (HB1) is the legislation that now drives school finance in Texas. A large part of HB1 is the "hold harmless" provision that allows school districts to realize the same dollars they had from the previous year even though the M&O tax rate was reduced from \$1.50 to \$1.33 in Beeville ISD and many other districts in the state (if they were also at the \$1.50 limit for M&O taxes). However, at the same time the hold harmless provision eliminates one of the avenues for districts to have access to additional revenue to cover inflation, unfunded state mandates, etc.

In the past, school districts could address inflation and unfunded mandates with revenue generated through increased enrollment, increased M&O taxes, and/or increased taxable values. HB1 eliminates the use of increased values due to the hold harmless provision. This is to say that even though Beeville is seeing our tax base (new business) increase we can no longer use this to help us adjust for inflation or unfunded mandates. Our tax rate is capped and we have a declining enrollment. This adds up to mean fewer dollars to be used to support our programs for next year (2007-08) than this year. Many will recall that this past summer (2006) was a very difficult budget cycle that had us on the verge of cutting personnel and programs.

The collective wisdom of our staff, master planning task force, and board has provided an avenue in the form of our master plan to cut M&O costs to help us deal with inflation, unfunded mandates, staff raises, and maintenance of current programs. The next challenge will be with how quickly we can realize the savings from our plan while simultaneously making sure that personnel cost savings occur through attrition rather than a reduction in force process.

We are simultaneously researching our declining enrollment. The State of Texas has seen student enrollment increase over the past 10 years from 3,799,032 to 4,521,043. In Texas there are 20 regional Educational Service Centers supported as a branch of the Texas Education Agency. Beeville ISD is in the Region 2 Educational Service Center (ESC). Of the 20 ESCs in Texas 6 of the regions are losing enrollments (dollars). The 6 ESCs with declining enrollments are centered in Abilene, Midland, Wichita Falls, Beaumont, Victoria, and Corpus Christi. Beeville ISD's declining enrollment is consistent with the loss of enrollment in the region.

We are also looking at a sample of our students enrolling and withdrawing from BISD to see if there are any trends. Since the fall (November 1) we have seen a decline of 56 students. This extrapolates to a loss of roughly 100 students per year. You can multiply this loss of students by the over \$5000 per student we receive and get a sense for why we need to make some difficult decisions.

A careful look at the students enrolling and leaving reveals a range of districts that students are coming from and going to. For example we have had 16 students transfer in from Corpus Christi, 9 from Skidmore, 6 from Kingsville, 4 from Pettus, 4 from Odem, 4 from San Antonio, 3 from Conroe, 3 from Victoria, 3 from George West, 3 from Mathis, 2 from California, and the list goes on to include students coming in from as far away as Honduras, Mexico, Puerto Rico and the Philippines. Simultaneously, we have students transferring to districts such as 13 to Corpus Christi, 7 to Skidmore, 5 to Victoria, 2 to Pawnee, 3 to Refugio, 2 to Kingsville, 5 to Alice, 4 to San Marcos, 4 to San Antonio and this list goes on to include students moving as far away as Washington, California, Indiana, and Tennessee.

The board approved an implementation schedule for our master plan that will allow us to begin addressing savings through a reduced number of facilities and personnel. It will be important that we continue to work together as we preserve the proud past of Beeville ISD as we address the promising future. Indeed, the long term projection from the State of Texas demographer's office includes Bee County as a growing county over the next 30 years. We need to effectively communicate through this new opportunity so that we do not miss any prospect of providing our students with a world class education.