

BOARD OF EDUCATION DOCUMENT 29

The Board of Trustees of the Breckenridge Independent School District met in special session on Monday, August 31, 2009, 6:30 p.m., in the Board Room of the School Administration Building, 212 North Miller, Breckenridge, Texas.

The following Trustees were in attendance: Weldon Edwards, Julie Erb, Sandy Morris, Bryan Woodward, Todd Pennartz, Skip Griffith, and Koby Killion. All board members were present.

Mr. Edwards called the meeting to order and established a quorum.

Comments from Public William Brown and Ray Gee signed in under "Audience to Patrons Desiring To be Heard". These gentlemen desired to speak regarding the proposed budget and tax rate and will be allowed to speak during time allotted for the Public Hearing.

Consider Transfer Students' Applications #69 Mr. Killion made the motion seconded by Mr. Edwards to approve the transfer student applications for the 2009-2010 school term as presented. The motion passed unanimously.

Consider Property, Casualty, and Auto Liability Insurance #70 Mr. Marrs explained to board members that the interlocal agreement presented helped obtain optimum insurance at the lowest possible price, and also did not require that bids be taken. Vic Johnson Insurance is the local insurance provider. Mr. Woodward made the motion seconded by Ms. Morris that the board approve the property, casualty, and auto liability insurance, effective September 1, 2009, as presented. The motion passed unanimously.

Consider Revisions on DEC (local) Policy #71 Changes to DEC (local) policy were discussed by board members. It was noted that new to this policy is payment to employees for unused state leave at retirement. Ms. Morris made the motion seconded by Mr. Griffith that the board adopt DEC (local) policy as attached. The motion passed unanimously.

Public Hearing to Discuss Budget and Proposed Tax Rate A Public Meeting was held to discuss the 2009-2010 proposed budget and proposed tax rate. Mr. William Brown and Mr. Ray Gee signed in to speak concerning the

proposed budget and proposed tax rate.

William Brown has questions regarding appraised values. He stated the values in the newspaper showed 1.248 billion in 2008 and in 2009 they were up to 1.336 billion, for an increase of \$88 million. Yet according to BISD figures, 2008 showed \$754 million and in 2009 showed \$707 million for a difference of \$47 million. Mr. Marrs explained to Mr. Brown that the published figures from the tax appraisal office are market values and the values the district reported are taxable values. The Central Appraisal District provides us information and taxable values are less than market values. Mr. Brown also told those present that in Stephens County, homestead tax jumped up 20%, and nationwide it is 20% less. Mr. Marrs explained to Mr. Brown that school districts have to stay within 5% up or down of comptroller values and due to the economy our percentage is down. Mr. Brown also told the board that there was a \$494 million difference in appraised and taxable value and 39.6% of the values in Stephens County are tax exempt. Property is up and taxable values are up. He also said that 20% are homestead exemptions. Mr. Brown said that he wants to see answers. Mr. Marrs told Mr. Brown that the Appraisal District meets the second Thursday every month at 7:30 a.m., and he should consider attending one of these meetings since they set the values. Board members stated that they would like some answers as well.

Ray Gee spoke to the board regarding tax increases also. He remarked that a couple of years ago he was writing checks for \$2000; currently, for the same bills, he now is paying around \$4000. He stated that tax increases this year do not make any sense, and as an individual, all one can do is cut costs. Mr. Gee said that the tax appraisal office should be more aware of what properties include.

Mr. Teel encouraged both gentlemen that spoke at the Public Meeting to stay and listen to the economy's impact on the BISD budget.

Adoption of
2009-2010 District Budget
#72

James Marrs, BISD Business Manager reviewed the final budget information with the board. He compared the district's ADA for last year's budget with this year's budget, and last year's ADA was 1418 compared to 1559 for this year's budget. Attendance should be a focal point that the administration should stay on top of. This year, Mr. Marrs is budgeting at a 96% rate of 1559, for an average ADA of 1496. Administrators should set goals as a team to increase ADA for more funding. For example, a percentage increase from 94.8% to 96% would result in a revenue increase of \$129,000. Mr. Marrs told those present that at Early ISD, ADA was a focus. Their ADA was usually 97%; by focusing on ADA, BISD can get to 96%. Mr. Woodward asked what would happen if our enrollment drops. Mr. Marrs said that it would take off of our funding. Mr. Teel added that he will look at ADA every week and regroup. Mr. Morris stated that in December of last year were down in attendance by 75 kids.

Mr. Marrs stated that budgeting depends a lot on how good we are at guess work. He met with administrators again this morning and is still able to allow for one new bus in the new budget. There was a \$50 million loss in oil and gas values from last year that resulted in \$345,000 loss in tax revenue.

Expenditures for the new budget were reviewed and compared to last years expenses. Instruction had an increase, due to House Bill #3646 (which is state law), plus the step scale that is based on years of service. Travel expense will be decreased tremendously. Co-curricular and extra curricular activities travel decreased \$189,693. This year's budget will concentrate on academics and instruction. Mr. Richey helped by decreasing plant maintenance by \$153,122. Security and monitoring services will be decreased by \$6,150. The General Fund will be used for the food service expense. Also, BISD's share of the Tax Appraisal budget is \$202,733, which is used to pay their salaries. Mr. Killion interjected that the Tax Appraisal office is no using outside services as well.

Mr. Teel told the board that this is tough. When things get this tough, we need to “circle the wagons”. Salaries are 80% or more of the budget. He said that the district has had three resignations in the last few days, one a teacher and two in maintenance. All of these will be absorbed and none replaced. In regards to co-curricular, things might be lean, but we will get by. The district has stayed away from cutting instruction. Mr. Griffith commented that he thought the cuts were made in the right places.

In closing, Mr. Teel commended Mr. Marrs and the administration, and called them unselfish individuals. He said we would really have to watch this year. Look at P.O’s closely and determine the need before the paperwork goes to Mr. Marrs. Mr. Killion commented that he felt like these cuts were overdue; the cuts were about 5%. Mr. Woodward made the motion seconded by Ms. Erb that the board adopt the 2009-2010 district budget as presented. The motion passed unanimously.

Consider Adopting
Ordinance to Set the
2009-2010 Tax Rate
#73

Mr. Marrs reported the following proposed tax rate:

Maintenance & Operations	\$1.04
Debt Service	<u>.0835</u>
Total	\$1.1235

This debt service is decreased from last year by .099. Mr. Woodward asked if this was the lowest rate since 1998. Mr. Marrs confirmed that it was by 38 cents.

Mr. Edwards made the motion seconded by Ms. Morris that property taxes be decreased by the adoption of a tax rate of \$1.1235 as set forth in the attached ordinance. The motion passed unanimously.

Consider Final
Amendment to 2008-09
Final Budget
#74

Mr. Teel asked that agenda item #9 be postponed until the next regular board meeting due to the last minute completion of this year’s budget.

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Adjournment

Mr. Edwards adjourned the meeting at 7:48 P.M.

Weldon Edwards, Board President

Date

Julie Erb, Board Secretary