

Frisco ISD moves forward with cost savings measure in preparation for 2011-2012 budget

The first order of business at the May 23 special meeting of the Board was to honor state qualifying track and tennis student athletes, along with some National Merit Finalists. (*See resolutions*) The next order of business was to address the ongoing budget discussions.

Although the funding scenario is still unknown, the FISD board of trustees continued discussing priorities and moved forward with many cost-savings and revenue generating measures that have been discussed over the past few months. Protecting the classroom and the teachers as much as possible remained the top goal.

Current finance bills in conference committee debate show the worst case scenario of receiving about \$52 million less over the next two years that would have been received under current law, but it would mean \$5 million in additional dollars (compared to 2010-2011) for 2011-12 budget year and \$18 million additional in 2012-13. (The district will also receive \$5.4 million in EduJobs federal grant monies that must be spent between August 2011 and September 2012 for saving positions lost due to the financial crisis.) This is not good, but it is better news than has been received previously, Superintendent Rick Reedy stated. FISD will gain 7,000 new students during the next two years and will be opening four new schools in 2012-2013. Providing for the needs of these students under this funding scenario will be very difficult, he has stated, but the district will work hard and in partnership with parents and the community to maintain a quality educational experience.

Attached is a spreadsheet that shows the cost savings/revenue generating measures that will be taking place, saving almost \$10 million in the budget. The Board also approved the maximum tax rate for publication in the truth in taxation notice as \$1.04 per \$100 of taxable value for maintenance and operations and \$.42 for debt service. The current tax rates are \$1 M&O and \$.39 debt service. The public hearing for the budget and the proposed tax rate will be at the June 20 regular meeting; the budget will be adopted that night. The Board will have until September to determine if the maximum published tax rate will be needed or if no or a lesser tax rate increase will be sufficient. If there is a special session of the Legislature and the Board does not have a final answer on funding from the state, they will approve the budget in June based on the best information at the time and can amend it later in the summer. FISD's fiscal year is July 1-June 30.

District officials still believe they will be able to adopt a budget for this next school year that will not require a formal reduction in force. Because of FISD's continued growth, in a normal year, the district would hire 3-400 employees to meet the needs of that growth. In essence, FISD is reducing its force by not hiring additional staff. Some new employees will be necessary, however, to address class sizes and to fill essential positions. More than 100 employees have resigned or retired this year and the district will utilize the EduJobs funds to rehire some of the employees whose one-two year jobs in special education using stimulus funds had expired. Other classroom teacher positions will also be addressed with these funds and open positions that are necessary for school operations, such as nurses, counselors, assistant principals, etc. Those who were previously in jobs with stimulus funds will be given a traditional one-year probationary contract that can roll over to a general fund obligation in the next school year, as will other hires.

The Board also approved the canvass of the May 14 board of trustees election naming Anne McCausland elected to Place 4 and Debbie Gillespie elected to Place 5.