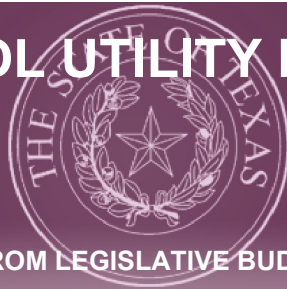


# PUBLIC SCHOOL UTILITY EXPENDITURES



AN ISSUE BRIEF FROM LEGISLATIVE BUDGET BOARD STAFF

ID: 3089

APRIL 2016

## OBJECTIVE

Texas public schools are statutorily required to disclose their utility costs and establish goals to reduce electric consumption. These measures are intended to achieve energy efficiency and conservation in school districts.

## KEY FACTS

- ◆ Public schools are required to establish long-range energy plans to reduce districts' annual electric consumption by 5.0 percent beginning with the 2008 fiscal year and to consume electricity in subsequent fiscal years in accordance with districts' energy plans.
- ◆ From school years 2008–09 to 2013–14, on average, 14.9 percent of all school districts reduced their utility costs by 5.0 percent or more.
- ◆ Public schools are required to post utility costs on their websites. Out of 100 school districts sampled in December 2015, only 35.0 percent complied with this requirement.
- ◆ Public schools report to the Texas Education Agency all utility costs as a total amount, and as a result, electricity-only expenditures cannot be isolated.

## BUDGETARY IMPACT

In school year 2013–14, Texas public schools spent more than \$1.3 billion on utilities. Public schools pay for utilities with a mixture of state and local funds.

## STATUTORY REFERENCES

The Texas Government Code, Section 2265.001(b)  
The Texas Education Code, Section 44.902

The Texas Government Code, Section 2265.001(b), requires public school districts and charter schools to record electricity, water, and natural gas consumption in an electronic repository and report this information on a publicly accessible website with an interface intended for ease of navigation.

Additionally, the Texas Education Code, Section 44.902, requires public schools to establish long-range energy plans to reduce districts' annual electric consumption by 5.0 percent beginning with the 2008 state fiscal year, and to consume electricity in subsequent fiscal years in accordance with districts' energy plans.

Public schools report their aggregate utility expenditures to the Texas Education Agency's (TEA) Public Education Information Management System (PEIMS).

The aggregate utility expenditures include water; electricity; gas for heat, cooking, and cooling; and ongoing telephone (including telecommunications, cellular telephones; and facsimile charges).

As shown in **Figure 1**, Texas public schools spent more than \$1.3 billion in school year 2013–14 on total utility expenditures with a cost of \$267 per student.

**FIGURE 1**  
**PUBLIC SCHOOL UTILITY EXPENDITURES BY REGION PER STUDENT, SCHOOL YEARS 2013–14**

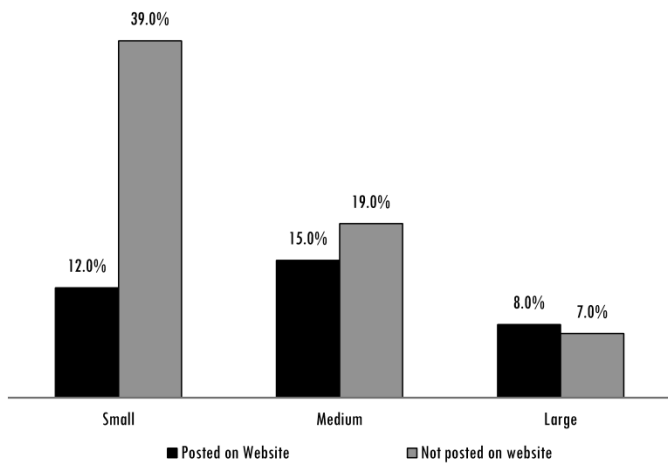
REGION	TOTAL STUDENTS	UTILITY EXPENDITURES (IN MILLIONS)	PER STUDENT
1. Edinburg	421,443	\$124.2	\$295
2. Corpus Christi	105,841	\$33.5	\$316
3. Victoria	53,773	\$15.5	\$288
4. Houston	1,143,084	\$317.9	\$278
5. Beaumont	81,446	\$26.6	\$326
6. Huntsville	180,519	\$50.3	\$278
7. Kilgore	170,664	\$46.7	\$274
8. Mount Pleasant	56,611	\$15.7	\$277
9. Wichita Falls	38,304	\$11.0	\$287
10. Richardson	793,963	\$203.0	\$256
11. Fort Worth	566,895	\$141.1	\$249
12. Waco	161,671	\$44.0	\$272
13. Austin	387,191	\$98.3	\$254
14. Abilene	57,845	\$14.0	\$241
15. San Angelo	48,397	\$15.2	\$314
16. Amarillo	86,101	\$20.1	\$233
17. Lubbock	83,704	\$22.6	\$270
18. Midland	85,303	\$22.0	\$258
19. El Paso	179,666	\$38.7	\$216
20. San Antonio	433,459	\$109.8	\$253
<b>Total</b>	<b>5,135,880</b>	<b>\$1,369.9</b>	<b>\$267</b>

SOURCE: Texas Education Agency, Public Education Information Management System, December 2015.

## REPORTING UTILITY EXPENDITURES INFORMATION ON WEBSITES

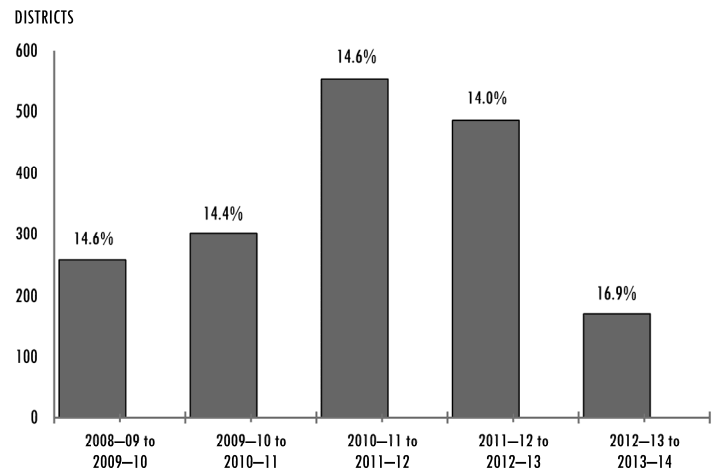
In December 2015, Legislative Budget Board (LBB) staff examined 100 school districts' websites to determine compliance with state law to post utility costs. Of the websites examined, 35.0 percent of the randomly sampled districts reported utility costs on their websites, and 65.0 percent did not. The format and the school years of utility cost information presented varied among the districts. Some districts included the information in a financial transparency section, while others posted it in Business Office sections. Some school districts

**FIGURE 2**  
**PERCENTAGE OF TEXAS SCHOOL DISTRICTS POSTING UTILITY EXPENDITURES ON WEBSITES BY DISTRICT SIZE**  
**DECEMBER 2015**



NOTE: District size—small=1,000 or fewer students; medium=1,001 to 5,000 students; large=5,000 or more students.  
 SOURCE: Legislative Budget Board, December 2015.

**FIGURE 3**  
**TEXAS SCHOOL DISTRICTS REPORTING 5.0% OR MORE DECREASE IN UTILITY EXPENDITURES**  
**SCHOOL YEARS 2008–09 TO 2013–14**



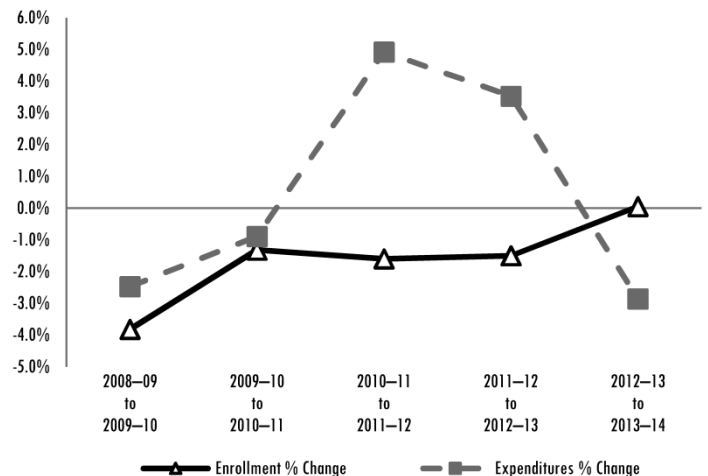
NOTE: Percentages show school districts reporting 5.0% decrease compared to total number of districts in school year. Totals may differ from one school year to another.  
 SOURCE: Texas Education Agency, Public Education Information Management System, December 2015.

did not have any data available. **Figure 2** shows the percentage of school districts posting utility expenditures by district size. Only 12.0 percent of small districts (1,000 or fewer students) reported utility expenditure information on their websites.

**UTILITY EXPENDITURES**

Public schools report to TEA through PEIMS the utility costs as an aggregate, which includes electricity. Although electricity-only expenditures cannot be isolated, LBB staff examined all school districts’ total utility expenditure spending from school years 2008–09 to 2013–14 to determine the percentage change each year. **Figure 3** shows that from school years 2008–09 to 2013–14, on average, 14.9 percent of Texas school districts reduced their annual utility expenditures by 5.0 percent or more. In addition, LBB staff examined the percentage of all school districts’ change in utility expenditures compared to total student growth from school years 2008–09 to 2013–14 to determine the percentage change in five years. **Figure 4** shows that from school years 2008–09 to 2013–14; the student growth increased by 8.7 percent, while utilities expenditures decreased by 1.9 percent.

**FIGURE 4**  
**PERCENTAGE OF TEXAS SCHOOL DISTRICTS CHANGE IN UTILITY EXPENDITURES COMPARED TO TOTAL STUDENT GROWTH**  
**SCHOOL YEARS 2008–09 TO 2013–14**



SOURCE: Texas Education Agency, Public Education Information Management System, December 2015.

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