

For Your Information

Lowell Joint School District

Board of Trustees: Jan Averill, Darin Barber, Eugene Dunford, Gayle Rogers, Fred Schambeck
Superintendent: Patricia Howell, Ed.D.

Board of Trustees Approves Budget Reductions for the 2008/09 School Year May 20, 2008

As many of you are aware, the Governor's proposed State Budget for 2008/09 calls for drastic cuts in funding for education. School districts are required by law to submit their budgets to the local county office of education by June 30 of each year. Until the final budget is approved by the Legislature and signed by the Governor, school districts must prepare their budgets using the Governor's budget proposals which indicate that funding for education will be reduced by approximately 7 to 8 percent. For the Lowell Joint School District, this means that the District must cut expenses by approximately \$1 million in next year's budget.

While building a budget on fewer dollars is always a difficult task, it gives teachers, classified staff members, administrators, and parents the opportunity to work together and come up with creative solutions. A District Budget Committee was organized and work began in February, 2008, to provide recommended budget reductions to the Superintendent and Board of Trustees. The committee's recommendations were presented to the Superintendent on April 3, 2008, and the Superintendent's recommendations were publicly presented to the Board of Trustees on April 21, 2008. At the Board meeting on May 19, 2008, the Board of Trustees took formal action to approve budget reductions for the 2008/09 school year.

The following **Key Considerations** were used in developing the budget reductions:

- Will classroom instruction and student safety be affected?
- Does the item under consideration support the District goals and philosophy?
- Is there demonstrated evidence of the program/service's cost-effectiveness and success?
- Can other positions/programs provide the services as/or more effectively?
- Is there an alternative funding source available?
- Does the item under consideration impact schools/sites with relative equity?
- Are the reductions, deferrals, and/or eliminations ongoing?

The following budget reductions, totaling \$1,070,901, were approved by the Board of Trustees:

1. Reduction of three teaching positions due to enrollment decline
2. Reduction of special education student assistant positions due to 8th grade students moving onto 9th grade
3. Reduce Budget Object Code 5630 – Repairs
4. Reduce Budget Object Code 5800 – Other Contract Services
5. Reduce Budget Object Code 5820 – Legal and Audit
6. Reduce fingerprinting costs
7. Reduce Budget Object Codes 5900 and 5910 – Communications
8. New quote for trash hauling services resulting in savings

(Continued on Reverse Side)

9. Reduce special education services costs
10. Reduce special education operating budget
11. Reduce outside financial assistance contract
12. Estimated reduction of 2008/09 expenses (excluding salaries and benefits) from 6% to 5%
13. Reduce Worker's Compensation insurance contribution
14. Reduce costs by making District benchmark tests reusable
15. Reduce Budget Object Code 4300 – Supplies and backfill with restricted funds
16. Use of recycled hand towels
17. Shut down school utilities in classrooms from July 1 – August 1 each year
18. Print drafts/faxes on recycled paper or print two-sided whenever possible
19. Raise student lunch prices by 50 cents (increase elementary from \$2.25 to \$2.75 and junior high from \$2.50 to \$3.00)
20. Reduce Budget Object Code 5800 – Contracted Services
21. Elimination of vacant Cook/Baker Cafeteria position (7 hr. position), backfill with Satellite Cafeteria position (3.5 hr. position)
22. Elimination of second preparation period for special education teachers at junior high school
23. Savings generated by NOC SELPA Agreement (One-time savings only)
24. Reduce operating reserve from 5% to 4% (One-time savings only)

In addition, the Board of Trustees approved the following recommendations:

1. If the State-adopted 2008/09 or 2009/10 budget results in increased revenue for the District and, therefore, the District can implement fewer budget reductions, the first priority would be to restore the District's unrestricted reserves back to the five percent level. While the one percent recommended reduction in reserves is a "one-time" savings, and does not reduce deficit spending, this option is recommended over laying off additional employees.
2. The District Health Benefits Committee continue to explore the options of providing equal or improved health benefits to District employees at reduced costs.
3. The District investigates and actively pursue the establishment of a Joint Powers Authority for Food Services.

In taking the above actions to reduce the District's budget for the 2008/09 school year, it is important to note that the Board of Trustees, first and foremost, wanted to keep the budget reductions away from the classrooms as much as possible. The quality of instruction and high expectations for student achievement have long been a tradition in the District, and it is important that the tradition be continued.

The Next Step: The Board of Trustees will formally approve the 2008/09 Budget at the June 16, 2008, Board meeting.