

For Your Information

Lowell Joint School District

Board of Trustees: Janet B. Averill, Darin W. Barber, James A. Najera, Gayle K. Rogers, Fred W. Schambeck
Superintendent: Patricia A. Howell, Ed.D.

Superintendent's Recommended Budget Reductions for the 2009/10 School Year March 3, 2009

On Friday, February 20, 2009, Governor Arnold Schwarzenegger signed a package of bills designed to revise the 2008/09 enacted budget and put into place a 2009/10 State budget. As you are aware, the State's economic situation has deteriorated precipitously since the enactment of the 2008/09 budget last September. The approval of the new 18-month budget drastically reduces funding for school districts and increases revenues as the State sees necessary in order for the State to stem the financial crisis.

A **District Budget Advisory Committee** has been working since January, 2009. Members of the committee included: CSEA Representatives Ronnie Mayer, Nancy Heysham, Darleene Pullen, and Tom Dumont; LJEAs Representatives Marikate Wissman, Patty Jacobsen, Shelly Pimper, and Mary Jane Barger; Parent Representative Debbie Miyamoto; Administrative Representatives Liz Kaneshiro, Krista Van Hoogmoed, Linda Takacs, Shawn Gatewood, and Dr. Karen Herbst. The committee was chaired by Andrea Reynolds. The Committee's recommendations were presented to the Superintendent on February 17, 2009.

The District Budget Committee and the Superintendent used the following **Key Considerations** in developing their recommendations to reduce approximately \$1,354,000 in the 2009/10 budget:

- Will classroom instruction and student safety be affected?
- Does the item under consideration support 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? (One-time funds can only be used once.)

An itemized list of the recommendations from the Budget Advisory Committee and the Superintendent are included on the back of this page. The **Superintendent's recommendations were presented to and approved by the Board of Trustees** at the March 2, 2009, Board meeting and include the following:

1. Adopt the recommendations presented in Part 1 = \$1,394,110 in budget reductions
2. Utilize categorical flexibility into the General Fund at maximum level allowed prior to implementing any of the Part 1 or Part 2 items
3. Utilize any new Federal funds received in the budget prior to implementing any of the Part 1 or Part 2 items
4. Continue budget reductions from 2008/09 in 2009/10
5. Implement Best Practices to eliminate waste
6. Through the above actions, if the District is able to balance the budget and maintain a 2% minimum reserve level in 2010/11, the first priority would be to restore step, column, and longevity for all employees

The Next Steps: At the Board Meeting on March 16, 2009, the Second Interim Budget Report will be presented for Board approval. On May 19, 2009, there will be a Special Election on propositions related to the newly approved State Budget, and it is anticipated that the Governor will release his May Revised State Budget the following week. The results of the Special Election will determine if further adjustments and cuts will be needed in the State Budget. On June 15, 2009, the Board will be asked to approve the 2009/10 District Budget.

The Board and the Superintendent would like to thank all of the District's staff members for their understanding and cooperation as we work through this difficult task. We appreciate your continued support and your service to our students and parents every day.

RECOMMENDED BUDGET REDUCTIONS FOR THE 2009/10 SCHOOL YEAR

Part #1 – Unanimous Consensus Items (in no order of preference):	Approximate Savings	Recom. By Budget Committee	Recom. By Supt.
Reduction of SESA positions due to 8 th grade graduation	\$60,000	Yes	Yes
Reduction of cost of Substitutes for teachers	\$67,000	Yes	Yes
Freeze Step, Column, Longevity (all employees)	\$273,935	Yes	Yes
Teachers \$200,000			
Classified Employees \$62,000			
Confidential \$1,000			
Supervisory and Certificated and Classified Administrators \$10,935			
Reduction of Overall Teacher Salary	\$35,000	Yes	Yes
Eliminate substitute coverage for report cards (grades K and 3-6)	\$13,200	Yes	Yes
Eliminate speech consultants due to hired speech staff	\$59,000	Yes	Yes (\$44,000 added)
Shutdown schools from 6/20 to 8/8 to save utility costs	\$20,000	Yes	Yes
Eliminate Assistant to the Superintendent's Secretary position	\$22,000	Yes	Yes
Reduction of five nonpublic school students tuition costs due to 8 th grade promotion	\$140,000	Yes	Yes
Reduction of Rancho Principal from 12 months to 11 months	\$10,275	Yes	Yes
Summer savings program for electricity	\$5,000	Yes	Yes
Add cell towers at sites	TBD	Yes	No
Eliminate subs for night time custodians	\$10,000	Yes	Yes
Eliminate band at the elementary (6 th grade) level	\$19,500	Yes	Not in Part 1
Spec. education parents to transport their children who are currently bused	\$45,000	Yes	Yes
Requote on Health and Welfare benefits	\$30,000	Yes	Yes
Board Members voluntarily give up benefits or stipends	\$15,000	Yes	Not in Part 1
Increase staffing for Independent Study from 20:1 to 25:1	\$14,400	Yes	Yes
Subtotal		\$839,310	\$848,810
Ongoing Budget Reductions (2008/09)			
Reduce Budget Code 5220 Travel and Conference	\$12,300	Yes	Yes
Reduce Budget Code 5800 Set aside for potential nonpublic school special education costs	\$150,000	Yes	Yes
Reduce Budget Code 5320 Legal, Audit, Election	\$100,000	Yes	Yes
Reduce Fund 20 over two-year period 2009/10 and 2010/11 (set aside to begin meeting post-retirement costs)	\$100,000	Yes	Yes
Reduce Maintenance and Operations budgets	\$33,000	Yes	Yes
Reduce Budget Code 7142 (special education students attending county programs)	\$150,000	Yes	Yes
Subtotal		\$545,300	\$545,300
Total Part #1		\$1,384,610	\$1,394,110

Proposal #2 – Additional Reductions Proposed by the Budget Advisory Committee Superintendent Recommends Reductions to be Utilized Only if Necessary (shown in descending monetary value)	Approximate Savings
Close an elementary school	\$400,000
Eliminate services to English Learner students	\$135,000
Two elementary school sites share one principal (amount includes salary, health benefits, and mandated costs)	\$120,000
Increase staffing ratio at Rancho-Starbuck from 28:1 to 30:1	\$100,800
Reduce Director of Special Education to 50 percent (amount includes salary, health benefits, and mandated costs)	\$71,537
Eliminate one District Grounds position (amount includes salary, health benefits, and mandated costs)	\$63,950
Elimination of one District Transporter position (amount includes salary, health benefits, and mandated costs)	\$56,800
Reduce Director of Technology to 50 percent (amount includes salary, health benefits, and mandated costs)	\$51,000
Reduce IMC/GATE classified position from 8 hours to 3.5 hours (amount includes salary, health benefits, and mandated costs)	\$33,235
Reduce teacher lunch from 45 to 30 minutes (reduces noon duty aid costs)	\$33,000
Eliminate band at the elementary level (6 th grade)	\$19,500
Board Members voluntarily give up benefits or stipends	\$15,000
Eliminate Crossing Guard at Candlelight/First Avenue	\$7,500
Eliminate Superintendent's mileage allowance	\$6,000
Total Part #2	\$1,108,322

The following **Best Practices** are recommended:

1. Eliminate snacks and water at meetings
2. Send home announcements with youngest child in family only
3. Email forms, notices, menus
4. Summer school waiver for serving Free/Reduced lunches
5. No longer mail paychecks to Board Members and Substitutes
6. Roving custodial crew for summer cleaning
7. Students clean up after themselves