

**NORTH RIDGEVILLE CITY SCHOOLS
COST REDUCTION PLAN FOR 2010-2011 SCHOOL YEAR - BOE WORK SESSION – FEBRUARY 2, 2010**

Cost Reduction Plan – General Comments

- Based on the failure of 1.9 mill Emergency Operating Levy in November 3, 2009, we need to reduce our spending by \$1,200,000 per year, beginning with the 2010-2011 school year.
- These \$1.2 million in cost reductions, along with the \$1.9 million that will be generated by the passage of our levy in May, 2010, get us to the \$3.1 million per year we need to prevent a deficit of over \$3.1 million in June, 2012.
- 87% of our district’s costs are in personnel. The only way to reduce these costs is through significant staff reductions.
- This round of cost reductions are made with the goal of maintaining the integrity and structure of our current programs and operations as much as possible.
- We have not given up our quest for excellence, but without question, that journey has become strewn with roadblocks and additional challenges.
- The list below is slightly higher than the \$1.2 million in the reductions we need to make, because these calculations are still somewhat fluid. This is a framework and an outline for our decision making.
- In 2004, our district cut \$1.3 million from the budget due to several levy failures. Most of these reductions were never restored and resulted in huge cuts in our classified staff, the elimination of high school busing, and the loss of hundreds of opportunities for students through the elimination of a variety of supplemental contracts.

Staff Reductions – General Comments

- We have indicated a goal of reducing 10 certificated staff personnel and 5 classified staff personnel.
- We believe most, if not all, of these positions can ultimately be achieved through staff retirements, resignations, and by staff who choose to leave the district.
- Whether it is through staff attrition and staff layoffs it is important to remember that either way, quality instruction will suffer because class sizes will increase and program offerings will be reduced. Every staff member who has been hired and every program that we have created has been carefully studied and researched.
- If we are unable to pass a levy in 2010, we will need to make even more devastating cuts prior to the 2011-2012 school year.
- We will ask the Board of Education to formally adopt our Cost Reduction Plan at its February 16, 2010 regular meeting.

Here is an outline of our Cost Reduction Plan and projected savings:

	<u>Annual Savings</u>
Reductions of Certificated Staff	\$775,800
• <i>Reduction of 10 FTE positions through retirements or resignations</i>	
Reductions of Classified Staff Reductions	\$72,100
• <i>Reduction of 5 FTE positions through retirements or resignations</i>	
• <i>Major classified staff reductions continue in place from 2004 reductions</i>	
Administrative and Supervisory Salary Freeze	\$66,600
• <i>Same salary and step as 2009-2010</i>	
Elimination of tutoring positions originally funded through grants but now out of the general fund	\$76,300
• <i>Elimination of 3 positions</i>	
Reductions of Certificated Supplemental Contracts	\$50,000
• <i>Specific areas to be determined</i>	
Reduction of certificated professional development substitute costs by 40%	\$88,500
• <i>Reduction of 1,800 professional development sub days per year to 1,100 per year</i>	
Reduction of professional development workshops, registrations, and out-of-district expenses	\$10,000
• <i>Elimination of payment of registration fees, mileage reimbursements, etc.</i>	
Reduce classified staff substitute costs and consider minor adjustments of regular staff hours	\$45,000
• <i>Discussions with OAPSE will occur to identify target areas</i>	
Reduce classified staff overtime costs by at least 20%	\$22,700
• <i>Discussions with OAPSE will occur to identify target areas</i>	
Elimination of 9th Grade Diagnostic Test – Riverside	\$12,000
• <i>Use of in-house assessments and ODE Success website tools</i>	
Reduce building and departmental budgets by an additional 10%	\$22,000
• <i>Budgets already reduced by 10% in 2004</i>	
Eliminate printing/publishing of NRCS Calendar of Events/Annual Report	\$5,000
• <i>Calendar will be published on website, brief calendar sent home with students</i>	
Revenues generated by Pay-to-Participate Fees	\$66,700
• <i>Final decision yet to be determined, estimates reflect \$100.00 per student for HS, \$50.00 for MS</i>	
Revenues generated by ECLC Preschool Typical Peer Tuition	<u>\$56,000</u>
• <i>50% of student enrollment is from typical peers, all tuition fees to general fund</i>	
Total Cost Reductions	\$1,368,700

Additional spending deferments in Summer, 2010 will also be made in the areas of textbook adoptions (\$350,000) and computer replacements (\$100,000).