

NORTH RIDGEVILLE CITY SCHOOLS - COST REDUCTION PLAN FOR THE 2011-2012 SCHOOL YEAR – MARCH, 2011

Cost Reduction Plan – General Comments

- 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 support 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.
- At the beginning of the 2010-2011 school year, a Cost Reduction Plan of \$1.2 million per year was implemented, resulting in the elimination of 21 certificated and support staff positions resulting in losses of services to students. These cuts are ongoing and will continue.
- In July, 2011 our school district will experience a reduction of *at least* \$1.8 million in state and federal funding due to the loss of State Fiscal Stabilization Funds (Federal Stimulus) and a State Foundation cut of at least 10%.
- 87% of our district's costs are in personnel. As a service oriented organization, the only way to significantly reduce these costs is through staff reductions.
- We have not given up our quest for excellence, but without question, that journey has become strewn with many roadblocks and additional challenges.
- Whether it is through staff attrition or 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.
- The reductions below will have a direct impact on the services offered to our students.
- Due to the uncertainty of an \$8 billion budget deficit in Ohio, the projected cut of 10-20% in our state foundation, the uncertainty of the impact of Senate Bill 5, and collective bargaining with our employee groups, the list below is still somewhat fluid. Further cuts in state and federal funding will result in additional reductions. This is a framework for our reductions and an outline for our decision making.
- Passage of our May, 2011 Emergency Operating Levy will allow us to continue with our proven program of Excellence, maintain appropriate class sizes, provide the necessary services to our students, and allow us to fully fund our textbook and classroom technology needs.
- We will ask the Board of Education to formally adopt our Cost Reduction Plan at its March 15, 2011 regular meeting.

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

	<u>Annual Savings</u>
Certificated staff reductions	\$975,000
<ul style="list-style-type: none">• <i>Reduction of 13.5 FTE positions through layoffs, retirements, or resignations</i>• <i>Reduction of 12.5 positions already implemented for 2010-2011</i>	
Support staff reductions	\$275,000
<ul style="list-style-type: none">• <i>Reduction of 15 FTE positions through layoffs, retirements, or resignations</i>• <i>Reduction of 8.5 positions already implemented for 2010-2011</i>	
Administrative, supervisory, and non-union employee salary freeze	\$46,000
<ul style="list-style-type: none">• <i>Same salary and step as 2010-2011</i>• <i>2nd consecutive year of salary and step freeze for administrators and supervisors</i>	
Reductions identified through collective bargaining discussions with employee unions	\$750,000
<ul style="list-style-type: none">• <i>Negotiations currently underway with North Ridgeville Education Association (NREA) and Ohio Association of Public School Employees (OAPSE)</i>• <i>Areas of discussion include review of all provisions of our agreements, including the restructuring of salary schedules, reductions of supplemental contracts, review of overtime costs, revision of leave policies, and potential changes through Senate Bill 5 legislation.</i>	
Elimination of all general fund professional development substitute teacher costs	\$114,000
<ul style="list-style-type: none">• <i>Approve only mandatory or grant funded training requests</i>	
Reductions of Certificated Supplemental Contracts	\$10,000
<ul style="list-style-type: none">• <i>Specific areas to be determined</i>• <i>Major reductions already implemented in 2004 and 2010</i>	
Additional revenue from admission charges to music concerts and athletic events	\$30,000
<ul style="list-style-type: none">• <i>Charge admission to elementary and middle school concerts and increase admission fees to all West Shore Conference events per conference rules</i>	
Total Cost Reductions (Goal of \$2.2 million)	\$2,200,000